# THE INDIAN JOURNAL OF PUBLIC ADMINISTRATION

(Official Organ of the Indian Institute of Public Administration)

MUNICIPAL FINAN

MAY 1 7 1957 LIBRAR PRINCIPAL CONTENTS MUNICIPAL FINANCE OFFICERS

MAY 1 6 1957

Election Administration in the United States

The Public Sector in India

Further Thoughts on Co-ordination

Human Relations in Industry

Panchavats and District Development Administration

The Reorganization of the Nasik Collectorate

The Development of State Tubewells

Marguerite J. Fisher

P.S. Lokanathan

P.R. Dubhashi

B.N. Datar

P.C. Suri

M.R. Yardi

S.T. Raja

Issued Quarterly

Single Copy Rs. 2/8 or 5s,

Annual Subscription

Rs. 10 or £ 1

### INDIAN INSTITUTE OF PUBLIC ADMINISTRATION Executive Council for 1956-57

President
Shri Jawaharlal Nehru

Chairman: Executive Council Shri V.T. Krishnamachari

Vice-Presidents

Pandit Govind Ballabh Pant Shri C.D. Deshmukh
Shri Gurmukh Nihal Singh Pandit H.N. Kunzru

Honorary Treasurer Shri S. B. Bapat

Members of the Executive Council

Shri R.N. Agrawala Shri G. L. Bansal Shri Din Diyal Shri N.V. Gadgil Shri Jai Paul Shri Humayun Kabir Prof. D.G. Karve Prof. S. V. Kogekar Shri H. C. Mathur

Prof. M. V. Mathur
Dr. Seeta Parmanand
Shri H. M. Patel
Shri S. Rang athan
Dr. K.N.V. stri
Shri N.K. Si nanta
Shri L. P. Si gh
Gen. S.M. Sinagesh
Shri Y. N. Sukthankar

Director
Prof. V. K. N. Menon

#### INDIAN JOURNAL OF PUBLIC ADMINIST RATION

Editor Shri S. B. Bapat

Prof. D. G. Karve Prof. S.V. Kogekar Prof. V.K.N. Menon

of the contributors and are in no sense official, nor is Public Administration responsible for them.)

sonal opinions dian Institute of

#### **OUR CONTRIBUTORS**

- Shri P.N. Datar: joined Government of Bombay, 1942; Assistant Labour Commissioner, Ahmedabad; Assistant Labour Commissioner, Bombay, 1944-48; Deputy Labour Commissioner, 1949; Assistant Chief (Labour), Fanning Commission, 1950-54; Director (Labour & Employment), Planning Commission, April 1954—.
- Shri P.R. Dubhashi: M.A.; joined Indian Administrative Service, 1953; Ass Commissioner, Davangere, Mysore State, and Project Executive O. Jr., Community Development Block, Harihar and N.E.S. Blocks of Hollikere, Jagalur and Davangere, 1955—.
- Dr. Marguerite J. Fisher: A.B., M.A. (Columbia) Ph. D. (Syracuse); Fulbright Research Prof. in Pol. Sc., Manila, Philippines, 1954-55; Associate Prof. of Pol. Sc., Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University, New York—now on leave of absence—Fulbright Prof. of Pol. Sc., Delhi University, 1956; Member and past President of Phi Beta Karba Association of Syracuse University; Former President of New York Save Federation of Business and Professional Women's Club; Member, Amajican Society for Political Science; Co-Author of "Municipal and other Local Governments", and "Communist Doctrine and the Free World".
- Dr. P.S. Lokanathan: M.A., D.Sc. Econ. (London); Member, Labour Advisory Board, Government of Madras, 1925-29; Member, Consultative Committee of Economists; Delegate, World Business Conference, Rye, N.Y., 1944; Secretary, Indian Industrialists Mission to U.K. and U.S.A., 1945; Editor, Eastern Economist, New Delhi, 1943-47; Executive Secretary, U.N. Economic Commission for Asia and the Far East, 1947-56; Indian Delegate, Preparatory Committee, International Trade Conference, London and Geneva; conferred "The Most Noble Order of the Crown of Thailand First Class" 1956; Director-General, National Council of Applied Economic Research, 1956—. Publications: 'Industrial Welfare in India'; 'Industrial Organisation in India'; 'India and Post-War Reconstruction'.
- Shri P. Probhakar Rao: joined Hyderabad Civil Service, 1943; Deputy Collector and Assistant Secretary, Board of Revenue, Hyderabad State, 1944-50; appointed to I.A.S., 1951; Collector and District Magistrate, 1951-54; Under Secretary, Home Ministry, 1954-55; Deputy Secretary and Deputy Establishment Officer, Ministry of Home Affairs, Government of India, 1955—.
- Shri S.T. Raja: B.A. LL.B. (Bombay), Barrister-at-Law; Practising Barrister, 1938-42; Dewan & District Magistrate of Indian States, 1942-46; Food Adviser to the Indian Embassy in Washington, 1947-48; Under Secretary, Ministry of Agriculture, 1948-50; Deputy Secretary, 1950-53; Tubewell Projects Administrator, 1953-55 and again July 1956 to date; Joint Secretary in charge of Co-operation, July 1955 to July 1956; Officer in charge of O & M and Vigilance in the Ministry of Agriculture.

- Shri S. Ranganathan: M.A. (Madras); joined the Indian Civil Service in U.P., 1932; held posts of Sub-Divisional Officer, Settlement Officer and District Magistrate and Collector till 1939; Under Secretary, Government of India, Finance Department, 1939; Secretary, Central Board of Revenue, 1944; Joint Secretary, Government of India in the Finance, Commerce, Production and Works, Housing & Supply Ministries since 1946; Secretary, Government of India, Ministry of Commerce & Consumer Industries, 1956—.
- Dr. M.P. Sharma: M.A., D. Litt. (Allahabad); Professor of Political Science, S.D. College, Kanpur, 1930-41; in charge of the Diploma course in Local Self-Government Administration, Allahabad University, 1941-49; University Professor of Public Administration and Local Self-Government, Nagpur University, 1949-56; University Professor of Local Self-Government, Saugar University, 1956—Author of "Government of the Indian Republic", "Local Government in India", "Local Government and Finance in U.P.", "Evolution of Rural Local Self-Government and Administration in the U.P.", etc.

Shri Indarjit Singh: joined the Indian Audit and Accounts Service, 1937; Deputy Government Examiner, Railways; Deputy Accountant-General U.P.; Private Secretary to the Finance Minister; Member for Finance and Industry, PEPSU State Government, 1948-49; Secretary, Central Board of Revenue, 1949-50; Collector of Central Excise, 1950-51; Commissioner of Income-tax, 1951-53; Secretary, Taxation Enquiry Commission, 1953-55; Member, Central Board of Revenue, engaged on the Enquiry into the Reorganisation of the Indian Income-tax Department, 1955-56; Secretary, Committee on Plan Projects and Joint Secretary (Reorganisation), Ministry of Finance.

- Shri Tarlok Singh: joined Indian Civil Service, 1937; Assistant Commissioner; Assistant Financial Adviser (Supply Fin.); Under Secretary, Financial Department, (Punjab); Private Secretary to the Minister for External Affairs (Commonwealth Relations Department), 1946; Director of Rehabilitation, Punjab, 1947; Deputy Secretary, Ministry of Finance (Economic Affairs Department), 1949; Deputy Secretary, Planning Commission, 1950; Joint Secretary, Planning Commission, 1953—.
- Shri P.C. Suri: joined the Provincial Civil Service (Executive) Punjab, 1940; Civil Supplies Officer, 1945-48; District Organiser, Civil Supplies and Rationing, 1948-51; Private Secretary to Deputy Chairman/Minister for Planning and Irrigation & Power; Under Secretary, Planning Commission, 1951-55; Convener, Study Groups on Panchayats, and Efficiency and Economy in the Irrigation & Power Sector of the Plan; Director, Public Management Studies, Planning Commission, 1955—.
- Shri M.R. Yardi: M.A.; joined the Indian Civil Service, 1940; Secretary, Bombay Administration Enquiry Committee, 1948; Collector, Poona, 1948-51; Director, Civil Supplies, 1951; Director, Rehabilitation, 1952; Director, Famine Relief, 1952-53; Collector, Nasik, 1953-56; Divisional Officer, Aurangabad Division, 1956—.

#### CONTENTS

|   | F                    | Page |
|---|----------------------|------|
| Election Administration in the United States                            | Marguerite J. Fisher | 1    |
| The Public Sector in India  | P.S. Lokanathan      | 9    |
| Further Thoughts on Co-ordination                                       | P.R. Dubhashi        | 16   |
| Human Relations in Industry   | B.N. Datar           | 22   |
| Panchayats and District Development<br>Administration                   | P.C. Suri            | 29   |
| The Reorganization of the Nasik Collectorate                            | M.R. Yardi           | 42   |
| The Development of State Tubewells                                      | S.T. Raja            | 53   |
| Editorial Notes   |                      | 61   |
| News from India and Abroad  |                      | 62   |
| Institute News  |                      | 67   |
| Digest of Reports   |                      |      |
| Uttar Pradesh. Report on Reorganization of Collectorates                |                      | 69   |
| Estimates Committee   |                      |      |
| 38th Report (Ministry of Community Development (C.P.A.) Part I)         |                      | 73   |
| 39th Report (Ministry of Defence—<br>Bharat Electronics (Private) Ltd.) |                      | 75   |
| 41st Report (Ministry of Communications—Air Corporations)               |                      | 78   |
| 43rd Report (Ministry of Communications—Indian Airlines Corporation)    |                      | 80   |

#### Book Reviews

| The Ministry of Works (Sir Harold Emmerson)        | S. Ranganathan   | 83 |
|--|------------------|----|
| Economics and Public Policy—Brookings              |                  |    |
| Lectures 1954                                      |                  |    |
| (Arthur Smithies etc.)                             |                  |    |
| Economics and the Public Interest                  |                  |    |
| (Ed. Robert A. Solo)                               | Tarlok Singh     | 85 |
| The Hoover Report 1953-55 (Neil MacNeil and Harold |                  |    |
| W. Metz)   | Indarjit Singh   | 87 |
| New Sources of Local Revenue                       |                  |    |
| (Report of a Study Group of<br>the R.I.P.A.)       | M.P. Sharma      | 90 |
| The Civil Service—Some Human Aspects               |                  |    |
| (Frank Dunnill)                                    | P. Prabhakar Rao | 91 |
| Selected Government Publications                   |                  | 94 |

#### THE INDIAN JOURNAL

OF

#### **PUBLIC ADMINISTRATION**

Vol. III

January-March 1957

No. 1

# ELECTION ADMINISTRATION IN THE UNITED STATES

Marguerite J. Fisher

IN contrast with India, the regulation of elections in the United States is left to the 48 state governments. The states, in general, have allowed the administration of registration, primaries and elections to remain in the hands of local officials, chiefly those of the city or county.

Under the American constitutional system, the right to decide who shall vote belongs to the states. With the exception of the 15th and 19th amendments to the federal Constitution, which prohibit the denial of the suffrage on account of race, colour or sex, the state governments may impose whatever qualifications they desire on the right of suffrage. All the states now impose the following requirements: citizenship; a minimum period of residence in the state and the local election district; and a minimum age of 21 years (except in Georgia where the requirement has been lowered to 18 years). The states deny the right to vote to paupers, the insane, idiots, inmates of penal institutions, and persons who have been convicted of certain crimes, the list of such crimes varying from state to state. Two additional requirements imposed by some of the states are (1) evidence of literacy, and (2) payment of a poll tax. Finally, the prospective voter must be registered before he is allowed to vote.

#### The Election Officials

Whether the elections are for federal, state or local office, the administration of elections is by local authorities. Usually there is a city or county agency known as the board of elections. This board commonly consists of an equal number of members from each of the two major parties. It is the task of this board of elections to divide the community into election districts or precincts, to arrange for polling

places, to appoint the election officials who serve at the polling places in each precinct, to procure election supplies and equipment, and to distribute them to the polling places. The same precinct election officials usually preside at the polling places on three occasions each year—on registration days, on primary day when the candidates are nominated, and on election day. The number of precinct election officials varies from state to state, a bi-partisan board of two Republicans and two Democrats being common. These election officials, or election inspectors as they are commonly termed, are usually appointed by the local board of elections or by the local legislative body of the city or county. Often, the chairmen of the Republican and Democratic county committees submit names for each election district or precinct, and the appointments are made from these lists. The inspectors are paid between 5 and 20 dollars a day for their work.

These election inspectors have a key position in the administration of the election laws. No matter how well-designed an election law, it will amount to little in practice if the election inspectors are ignorant or open to corruption. The naive citizen might assume that honest elections are guaranteed by the bi-partisan membership of the precinct election board. But the legal requirement that precinct election boards should consist of representatives from both the major parties has at times proved no real obstacle to fraudulent practices. In cities or counties where one party dominates the local community, some times there is collusion between Republican and Democratic inspectors. If, for example, the Democrats are the dominant party, they may see to it that Republican election inspectors are appointed who will either close their eyes to what goes on, or else be glad to collaborate. If an inspector turns out to be obstinate, he may be influenced by the promise of a job or a favour of some sort.

The local precinct election officials have so important a role that they should be persons of the highest calibre. But it is difficult in the average American city or county to find competent persons, free from political obligations, who will serve six or seven days a year at the primary, registration and election. In many states the law requires that the election inspectors must be residents of the precincts in which they serve, a stipulation which increases the difficulty of finding competent persons. Most of the capable and intelligent male residents of an election district are likely to have full-time occupations or professions and therefore are not available. The kind of man who is available, and anxious to get the money for a few days work each year, is likely to be a political job-holder, or an unemployed or incompetent person who is unable to hold a regular full-time job.

This problem has been largely solved in recent years, however, by women suffrage. Well qualified and honest housewives are glad to earn the extra money for a few days' work, whereas their husbands would not be interested. The housewives are happy to have the opportunity to get out of their homes, and to sit in the polling places and greet their neighbours while their husbands are away at their offices or business. Housewives of intelligence are available and often anxious to get such jobs, and this would not be true of men of the same level of ability and honesty. Observers of American politics have commented on the domestic atmosphere which the women have brought to the polling places. It is a common experience in the United States to find a polling place administered by middle-class housewives, sitting around the table and knitting or talking about their families. The writer once had the experience of conducting two European professors on a visit to the local polling places on election day. Both the German and the Italian were astonished by what they saw. But what was it that amazed them-that they had never seen in Europe? "Two things: women election officials running the polling places, and voters voting by machines".

The state laws insist on various requirements for local election inspectors, such as the ability to speak, read and write English. They are also required to have a knowledge of the election law of their state.

In an effort to select election officials of a higher type in the city of Detroit a few years ago, public spirited citizens were persuaded by civic organisations to serve in this office without remuneration, as a gesture of good citizenship. The Superintendent of the Detroit Election Commission described the experiment as follows:—

"There are times when there is a very spirited contest so that citizens of considerable prominence in the industrial and financial life of Detroit volunteer for the work from the standpoint of doing their bit towards good citizenship, and along that line presidents and other officers of banks, industrial and commercial institutions help to maintain clean elections. The majority of the election inspectors are bank clerks and people who are doing some branch of accounting or clerical work in some of our large industries. The bankers and manufacturers' associations have assisted wonderfully in placing many of their men at the disposal of the Commission on election days, allowing the men to take the day off with pay."\*

<sup>\*</sup>Quoted in Charles E. Merriam and Harold F. Gosnell, The American Party System. p. 400, 1940, New York, Macmillan.

#### The Polling Places

In each precinct or election district, which generally includes from 300 to 600 potential voters, there is a polling place where the voter casts his vote. In a number of states the law requires that public buildings such as schools or fire stations be used as polling places, wherever they are available. If no public buildings are available quarters are rented from private property owners. In residential areas private garages are often rented for polling places. The city or county board of elections generally rents the polling places from faithful party followers. In fact, the rent for such quarters on primary, registration and election days is one of the petty favours which the party organisation dispenses to build up its following in the election precincts.

In some communities, instead of renting quarters from private property owners, the city or county government uses temporary or movable structures which are placed at street corners on election day. In some sections of California and Florida, where the weather is warm, tents are employed for this purpose. In colder climates, however, it is the custom to use public buildings or to rent private quarters which are heated for cold November election days.

In small cities or rural areas, where the population is not large enough to necessitate dividing the community into precincts, there is one central polling place. All the voters in a town, township, village or small city vote in one polling place, which is generally located in some public building such as the town hall or county court-house.

#### **Voting Machines**

Over half the 48 American states now authorise the use of voting machines. In New York paper ballots have been completely supplanted by the voting machine, for all elections except the primaries.

To the voter who is accustomed to paper ballots, the machine may appear formidable. Its operation is simple, however. The ballot appears on the face of the machine. Instead of making a cross mark, the voter pulls a small lever located above each name. If there is only one candidate to be named for an office, an interlocking device makes it impossible to vote for more than one person, thereby preventing the voter from voiding his ballot. If the voter changes his mind after he has pulled down the lever, he can push it back and make another choice. When the voter pulls the handle to draw the curtains aside as he leaves the booth, the machine automatically records the vote and the lever springs back to place. The machine counts automatically

as each vote is cast, and the total is shown by the counting compartment as soon as the polls close.

There are many advantages to the voting machine. The fact that professional politicians have made such a bitter fight against its adoption is reasonably good evidence that it diminishes the opportunities for fraud in elections. The machines do not eliminate fraud, as they may be tampered with before the polls open, and false totals may be read off at the end of the day. Persons not legally entitled to vote can use a voting machine as easily as a paper ballot. Yet it is much harder to tamper with a voting machine than with paper ballots. The machine avoids the mistakes which are inevitable when tired election boards struggle with the counting of paper ballots. There is greater secrecy for the voter, since his ballot cannot be marked for identification purposes. The machine prevents him from casting a void ballot through an improper cross mark, or by voting for two candidates for the same office. It usually takes less time to vote when a machine is used. The results are known within a few minutes after the polls close, thus avoiding the delay and inaccuracies involved in the counting of paper ballots.

With all these obvious advantages, why have the voting machines not been adopted to a greater extent? For one thing, there has been the opposition of political party-organisation. Boss Hague succeeded in blocking their adoption in Jersey City for many years. The machines are expensive, costing from \$1200 to \$2000 each, and this factor has deterred smaller communities. Since it is a comparatively new device, there have been improvements and new inventions added, leading to the early obsolescence of existing machines. Still another reason has been the distrust exhibited by some voters who are overawed by the complicated appearance of the voting machine and hesitate to go to the polls when it is first adopted in their community.

#### Casting the Ballots

At the polling place the election inspectors divide the various tasks, one person taking charge of the ballots or voting machines, another checking the names on the registration book, and so on. The polls are commonly open from six in the morning until seven in the evening, although the hours vary from state to state. In many states employed persons are legally entitled to two hours off on election day, without loss of pay, so that they may have an opportunity to vote. The state laws require sample ballots and voting instructions to be posted on the wall of the polling place. The voter must sign his name, and the election inspectors compare the signature with the one entered in the registration book.

The election inspectors in each precinct polling place have the right to challenge any applicant's claim to vote. The challenged person is required to answer under oath a list of questions regarding his identity. Generally, persons who are attempting to vote fraudulently will quietly disappear when they are confronted with a challenge affidavit. Each party represented in the election and sometimes the individual candidates are entitled to have private "watchers" or "challengers" present at the polls throughout the day. The watchers have the right to inspect all records and to challenge any prospective voters.

If the watchers and challengers are to be effective, they must be familiar with the details of the election law. They are there in the interests of their party, to see that the election is honestly conducted and that their party is not discriminated against or deprived of any of its votes. Well-intentioned but inexperienced watchers may be tricked by astute party workers. In one case, for example, a watcher was sent around the corner to buy ice cream for the group, to get him out of the way at a critical moment. At other times during the day when the workers from the rival party wished to distract the watcher's attention, they called him over to one side of the room to offer him food, to hear a joke, and so on. He never suspected that he was being tricked.

In some communities civic organizations or reform groups have persuaded their members to serve as watchers for a minority party or an independent candidate represented on the ballot. In some cases such projects have proved effective in reducing election law violations. In one community a joint project of this kind was undertaken by a women's club and a group of alumni from a men's college. The project was given good advance publicity in the newspapers, and the watchers were rehearsed in both the details of the election law and the devices commonly utilized to evade the law. The experiment proved so successful the first time that it was repeated in the following years, thereby bringing about the fairest elections the community had had for many a decade.

#### **Election Law Violations in Balloting**

In most communities election law violations are confined to certain districts, chiefly the crowded and underprivileged urban precincts where the party machines are strongest. In the majority of election districts it is probable that the law will be honestly administered by honest election officials. In an average community an observer might spend the whole of election day visiting polling places, without witnessing any chicanery. The large cities, such as New York, Chicago and

Philadelphia have furnished the most extensive evidence of fraud in the administration of the election laws.

The booth in which the voter marks his ballot is supposed to be private. No one is allowed by law to enter it, except prospective voters or election inspectors who assist disabled voters. This part of the election law is violated by various types of chicanery. There may be a hole torn in the curtain across the front of the booth, to make it convenient for party workers to see how the voter is marking his ballot. There may be a knothole in the ceiling above the booth, through which the voter may be scrutinized. A mirror hung near the ceiling above the booth may reveal what the voter is doing. If a voting machine is used, someone may stand with ear glued to the booth, listening to the "click" as the voter pulls down the levers on the machine. A rapid series of clicks will indicate a straight party ticket, and slower, more hesitant clicks will show that the voter is splitting his ticket.

The process of voting may be deliberately slowed down by certain voters, or by the election inspectors, so as to lengthen waiting lines and thus send would-be voters home in discouragement. The ones who get tired and go home are not the party machine followers. The room may be crowded with 'spectators' and others not waiting to vote, and in the confusion of a crowded room it will be easier to violate the law without attracting attention. The election law commonly states that party committeemen and other workers may not electioneer or distribute written material within a hundred feet of the polling place. This provision is sometimes violated, and the committeeman may buttonhole the voter and pour arguments and instructions into his ears up to the moment the latter steps inside the curtained booth.

#### Counting the Ballots

The local election inspectors in each precinct polling place count the ballots as soon as the polls close. If a voting machine is used, only a moment is needed to unlock the counter compartment and read off the total. With paper ballots the process of counting is a lengthy and arduous one, taking as long as eight to ten hours in some cases. The election inspectors have served all day long, yet there may be hours of counting ballots, far into the night, ahead of them. They are bound to make mistakes as they succumb to fatigue. To meet this problem some state laws provide for double election boards, the second board beginning its task of counting the ballots in a nearby room, shortly after the polls open.

When paper ballots are used it may be difficult to decide whether a ballot is valid or invalid. The law may be specific about how a legal ballot must be marked, stating that the voter must put a cross mark opposite the name of the candidate of his choice. But suppose the cross mark is not clear, should the ballot then be thrown out as invalid? This is the kind of question confronting the perplexed election officials who must examine and count hundreds of ballots.

If a candidate or private citizen has reason to suspect that fraud occurred in the counting of the ballots, he may apply to the courts, which have the authority to order a *re-count*. If voting machines are used, a re-count merely involves checking the machines and their totals.

#### The Administration of Literacy Tests

Over half the American states now have laws requiring literacy tests for prospective voters. These literacy tests are administered by local election officials, either the county or city board of elections during the year, or by the precinct election inspectors at the polling places on registration days.

In some states the literacy laws require that the prospective voter should be able to read and interpret the state constitution. In other states the voter must be able to read and write a specified number of words. The New York literacy law, which is considered one of the best, requires the voter, when he registers, to: (1) present a school certificate showing that he has completed at least the eighth grade in a school in which English is the language of instruction, or (2) pass the literacy test which is given in certain public schools during the registration period. A superior feature of the New York law is that it entrusts the application of the test to school officials rather than to election officials.

In some communities, civic organizations have sent representatives to be present when the literacy tests were given, with the intention of checking on the honesty and fairness of the procedure. Where abuses exist, civic groups have done much to insure better administration of the law.

----

Comment entry ise - inter

#### THE PUBLIC SECTOR IN INDIA

#### P. S. Lokanathan

THERE has been a great deal of emotional and doctrinal approach towards the question of public enterprises in India and the role of the public sector in the economic development of the country. Actually public and private enterprises are not to be regarded as two completely divided and water-tight compartments or sectors, but rather they together serve a common end. The distinction between the two is supposed to be based upon ideology. It is often pointed out in contrast that motivation in public and private enterprise is very different: that private enterprise is animated purely by considerations of profit, while social purpose and welfare are supposed to be the dominant motives of public enterprise. This distinction is at best partial and may be in some context highly misleading. It is not true that private enterprise can completely ignore social and democratic considerations. Indeed as time goes on, it is as much guided by broad social purpose as any national activity. On the other hand, public enterprise cannot altogether ignore considerations of profit nor can it fail to pay regard to questions of cost, efficiency and economy. Therefore, as time goes on, the difference between public and private enterprise ceases to have that clear-cut and fundamental distinction which is often sought to be made. In fact, in socialistic countries, public enterprises are definitely operated on the basis of maximum profits. They become the sources of finance for further economic development.

The fact that an enterprise is run by the State does not by itself provide any guarantee that labour or the public may not be exploited. In communist societies, what goes to labour, how much is set aside for further expansion, how much should go to consumption, is all determined by the State in which neither the worker nor the citizen has much say. It would, therefore, appear that the more significant question is whether the country's economic policies and methods are determined by democratic principles and institutions and not so much whether the emphasis is on the public or the private sector. The criticism again that the profit motive is an unsocial element is a half-truth. It is not profits as such that are wrong. It is the way in which profits are appropriated that is socially significant. After all, profits are, in a business, an indication and measure of efficiency; they are also a reflection of the state of public demand.

The criticism usually levelled against public enterprises, that if they fail there is a waste of public resources whereas the incidence of loss in case of private enterprise is wholly on the entrepreneur, has not much validity in the context of planned economy. Both equally constitute a misuse of resources; for from the social standpoint there is no difference whether resources are wasted through failure of a public enterprise or through mismanagement of the private entrepreneur. In both cases, there is a social loss. Again, a very common argument against the expansion of the public sector is that public enterprises do not command sufficient technical or administrative personnel. This is not a valid argument, because where there is an absolute scarcity of administrative, technical and engineering personnel, it matters little whether it is public enterprise that lacks them or private enterprise. The problem can only be met (a) by the training of administrative, managerial and technical personnel and/or (b) by reducing the total magnitude of the development programme.

The doctrinaire approach to the question of the area of the public sector is not only unprofitable, but has not been the main element in the expansion of the public sector in the countries of the ECAFE region. With the possible exception of Burma and more recently of India, considerations of economic philosophy have not been the major determinant in the growth of the public sector. In many countries, like Indonesia, Ceylon, Pakistan, Thailand and Philippines, it is the lack of entrepreneurship and the high costs of establishing new industries that have led to the intervention of the State in industrial development. Even in India where there has been socialist motivation to some extent, the present expansion of the public sector can be justified on entirely economic and rational grounds.

With the need for accelerated economic development in the country and the equally important need to secure rising living standards, the expansion of the public sector in the heavy metallurgical, electrical and chemical industries is not only justified, but is indispensable. There is little hope of the private sector entering these fields which require the locking up of enormous liquid resources and large scale personnel management altogether beyond the capacity of the private sector as it obtains in the ECAFE region. It is true that one of the reasons for India's expansion of the public sector is the desire to reduce the concentration of economic power which would become more serious if the private sector were permitted to enter these new fields. But even if this motive were absent, there could be no hope of the private sector fulfilling the additional responsibilities.

Even in the most advanced countries like the U.S.A., the amount of public investment has been increasing. From the point of view of

the development of private enterprise it would appear that there should be the minimum of public enterprise and the maximum development of economic and social overheads. Indeed, one main reason why India's economic development has been greatly retarded in the past was the lack of what may be called social and economic overheads. It is only when large public investments in transport, communications, power, education and research have taken place that the scope for private enterprise will become larger. The fact that today, in spite of the expansion of the public sector, private enterprise in India is not only buoyant but is optimistic of the future provides ample evidence in support of the thesis that in a properly planned economy not only is there no conflict of the type imagined in a purely doctrinaire approach but the expansion of the private sector is itself conditional on an appropriate expansion of the public sector.

II

The actual problems of management and operation of the public enterprises, are in no way different from those which confront the private sector. There is the same hard core of practical problems in all enterprises whether they are private, public or mixed. There is the same question of management of personnel, labour relations, of cost, efficiency, internal organisation, delegation of authority, price policy, etc. It would hardly be possible to deal with all these matters in this short sketch, but a few points may be selected for illustration.

Taking up first the question of autonomy of public enterprises, the real problem is how to secure a balance between public accountability on the one hand, and on the other, the flexibility of management needed for dealing in a responsible way with changing situations which require quick decision. In some countries, the public enterprises were permitted to have excessive autonomy; they almost tended to disregard the responsibility to the public in their operation and management. Fortunately, such danger is now past in India as well as elsewhere. There is universal recognition that parliamentary control is essential and justified; only it should not be excessive or detailed. Parliamentary control should not lead to either too much delay or create a sense of timidity on the part of managers of public enterprises. The forms of organisation of public enterprises may vary, as in India. We have examples of public corporations, private companies and departmental management. Whatever be the form of organisation, the main point is that public enterprises should regard themselves as organisations whose objective is to meet the public need most economically and efficiently. As regards administrative relationship, while the Minister

must necessarily have the ultimate say in regard to policy, the Board of Directors should have a voice in its formulation and a fair scope for manoeuverability in its execution, for situations change and a mechanical application of a stated policy may be contrary both to the public interest and the original intentions of the framers of policy. It is ultimately a question of trust which has to grow (as part of the national character) and cannot be assumed or provided for in an administrative way.

In India, the Chairman of the Board of Directors of public enterprises and the majority of the Directors are officials. This by itself is a sound policy, since the public enterprises belong to the State, and the policy of the State can best be interpreted by its officials. On the other hand, there is the danger that the official Chairman of the Board of Directors may either find little time to guide the Board of management or might find it difficult to wear a double hat, one as representative of the Government and the other as representative of business. It is the practice in Indian public enterprises to have a few non-officials on the Board. Although Mr. Appleby in his report has condemned this practice, there is no gainsaying the fact that the presence of non-officials is of great benefit both to the particular enterprise and to the public. It is democratic in the sense of providing a check on the exercise of power, and serves in a broad way much the same ultimate purpose as the presence of an official in a private Board of Directors.

One of the problems connected with the management of public enterprises is the danger of civil service mentality prevailing in management of business concerns. There is also the further question as to whether civil servants are best suited for managing business enterprises. Here one has got to take a balanced view of the matter. There are many problems which personnel with the civil service training are specially qualified and competent to handle. It is also a mistake to think that the civil servants cannot take quick decisions. The fact is that in private business also there have been many instances of dilatory decisions. Nor is it true that public enterprises cannot have a system of promotion by merit. Actually Government is undertaking certain measures which would eliminate the difficulties and disadvantages of routine governmental management. A Management Pool has been established and its service conditions are somewhat different from those obtaining in Government service. It is often stated again as criticism of public enterprises that they do not have for their executive posts men of high technical competence and that they are unwilling or unable to recruit from private businessmen for executive posts. Further, at the highest level of executive management, a technical man is not necessarily an ideal person. In smaller businesses, a technical man could be more useful as head, but where businesses are large, specialist with technical knowledge and experience would not necessarily be more valuable. As regards recruiting from private business, the difficulty is one of securing the right type. It would be wrong to assume that men in private business would necessarily be ideally suited to fill executive positions in big public enterprises. What is really needed is that the methods of recruitment and promotion should be less rigid and that there should be greater flexibility in procedures in regard to appointments and promotions and that recruitments should be made from as wide an area as possible.

#### Ш

Public enterprises and private enterprises cannot be compared except in terms of the public policy to be observed. In many instances, public enterprises may by their very nature be monopolistic. They enjoy certain advantages which are denied to private enterprises. In the context of planned economy, it is possible that some discrimination in favour of public enterprises in respect of supply of basic materials, power, transport, etc., may be justified, but there should at least be one basic requirement and that is when they enjoy subsidies either veiled or concealed or are given any exemption, all these advantages and benefits should be fully brought to light. A comparison, therefore, between public and private enterprise should be on an equal basis. In so far as the Second Five Year Plan provides for the functioning of the private sector it is only proper that adequate facilities should be granted to private enterprises and that no unnecessary discrimination or any possible hindrances should be permitted.

The mere fact that public enterprise meets a definite end cannot by itself justify the expansion of the public sector. The more relevant criterion is to what extent can the public sector meet the need and whether, for the same cost, other investments could not produce better results. The investment pattern should conform to the criterion of the most efficient use of resources. It is, therefore, essential to undertake painstaking research to work out valid formulae for evaluating the operations of public enterprises.

Another point to be considered in respect of the operations of the public enterprises is the question of price policy. What prices should be charged for the products of public enterprises? This would depend upon objectives of social policy. While in some cases, there may be justification for selling products, without making profit, (e.g. the sale of fertilizers to agriculturists), it should be the principle of public

enterprises that all costs, including depreciation, replacement, etc., must be properly appraised and the degree and nature of loss fully known and booked in the public accounts. As a matter of fact, there is justification for charging more than the cost, since the profits of public enterprises might well become—in fact, are in socialist economies, as already pointed out—an important source of finance. Often public enterprises are given consolidated subsidies in the form of lower prices of the materials which they buy. This again, whether it is right or wrong, should be brought out clearly and not permitted to be used surreptitiously. It is necessary for the country to know at what cost public enterprises are functioning. Sometimes, there is a tendency for public enterprises to give away in the form of higher wages what can really go to the wider public either in terms of lower prices or greater economy in the use of public funds.

The choice between public and private enterprise, or in other words the area demarcating the public sector from the private sector, is ultimately a matter of public policy. But in deciding upon it, the main issue to be considered is what would produce the best social results. There is always the danger of public enterprises not working satisfactorily on account of the rigidities and other disadvantages inherent in their operation. There is also another major factor in the determination of the public sector. Since the managers of publicly operated enterprises do not bear the risks, there is the danger of inefficiency and possibility of waste. Another set of problems which must be considered in defining the area of the public sector is the whole question of incentives to work. How far can people be inspired to do the best work under non-monetary incentives? This opens out what might possibly become one of the most profitable fields of research in the Indian economy.

In India unfortunately, there is too much of a partisan attitude both for and against private enterprise. The fact that some entrepreneurs may not have done well is no reason why there should be a wholesale condemnation of the private sector. An illustration of this unsocial way of thinking is provided by the reported 'expert' opposition to credit expansion at a meeting with the Finance Minister on the ground that it would benefit banks, which are at present privately owned and managed. Such a narrow approach in the public or in the private sector, is both unhelpful and self-defeating. It poses a conflict that does not really exist. It is a type of argument, which pressed to a reductio ad absurdum, would lead either to complete inactivity or absolute regimentation, for all economic decisions have intended or unintended distributive consequences. Public decisions would be

wholly frustrated if based on any whimsical reading of minor currents of social change or the distributive process.

Our eye must be focussed on the direction of the main broad current. Is the economy posed in the right direction? Is it moving on as fast and as desirable a rate as is practicable under the circumstances? Viewed in the perspective of such a philosophy, the present controversy of the sectors might lose much of its sharpness, and, in fact, may take on a creative aspect.

For the development of such an attitude, there must be a total abandonment of the doctrinaire approach with which we are getting plagued. In social affairs, what works is good; what fails has to be forsaken. In economic, as in political affairs, India has to evolve a non-partisan approach. Each sector of the economy must determine the spheres in which it can deliver the goods and rapidly enough, for the country will not wait and does not really care for the triumph of capitalism or socialism.

Further, in respect of private enterprise, it may be said that the public attitude and hence the policy of Government (for this is a democratic country) will be largely determined by what Lord Keynes—by no means a socialist—called the level of the stakes. If profits made by private enterprise are genuinely competitive and broadly reasonable in the public view, there is no reason why it cannot continue to fulfil its legitimate and essential role.

"In a large and complex organisation efficiency can only be achieved and maintained by a continuous and conscious effort of leadership and direction from senior officers. It is not sufficient merely to have good methods and clear instructions. As in many other spheres of activity...the great problem is the human one and the greatest need is to recruit and train those who are likely to be the leaders of the future."

—SIR HAROLD EMMERSON

(in 'The Ministry of Works')

Alexander of the second

#### FURTHER THOUGHTS ON CO-ORDINATION

#### P. R. Dubhashi

IN his article on Co-ordination published in this Journal for the quarter July-September, 1956 (Vol. II, No. 3), Shri S.B. Bapat touched upon one of the central problems of administration. With the rapid increase in scope and volume of state activity under the First and Second Five Year Plans, there has developed a growing tendency towards departmental specialisation. Proper co-ordination has therefore become increasingly necessary to prevent isolated specialisation and to voke all departments together in a common effort towards the common destination. National planning necessarily envisages a comprehensive approach to human problems and does not admit either of compartmentalised planning or compartmentalised effort. Planning and co-ordination are thus inseparable and nowhere is this principle more clearly illustrated than in the National Extension Service. The Service is an instrument for planned rural reconstruction and constitutes inter alia an administrative innovation, i.e. the establishment of a vertical co-ordinating hierarchy reaching right down to the village level but without any horizontal ramifications. This vertical hierarchy has its multipurpose representatives at every level, the most important among them being the Village Level Worker. As these representatives draw upon the horizontal ramifications of several departments at different levels to achieve the common goal, their main role is that of "co-ordinators", though in N.E.S. terminology they are known as "messenger boys". The present article puts forth the thoughts arising out of the field experience in rural reconstruction of one such messenger boy functioning as Project Executive Officer

II

Planning in the sphere of rural reconstruction, as in others, involves four stages, viz:

- (i) Assessment of needs of an area—be it a village, a block, a taluka, a district or a state.
- (ii) Assessment of the actual and potential resources.
- (iii) Balancing the resources against the needs; and drawing up a scheme of priorities.
- (iv) Satisfying the needs in conformity with the priorities laid down, i.e. execution of the plan.

Problems of co-ordination arise at each of these stages and they are briefly discussed below in the following order:—(1) Co-ordination in assessing resources, (2) Co-ordination in assessing needs, (3) Co-ordination in laying down priorities, and (4) Co-ordination in satisfying the priority needs.

#### (1) Co-ordination in Assessing Resources:

Co-ordination here cannot be restricted merely to resources available with the Government. People's participation is the hall-mark of national planning in India and co-ordination of resources implies co-ordination of all resources available—(i) with different Government departments, (ii) with various local authorities like the village panchayats, the district boards, or anchal bodies, and (iii) with people in their individual capacity or organised into voluntary bodies like gram vikas mandals, or labour co-operatives or farmers' associations.

Nor does co-ordination of resources mean co-ordination of mere financial resources only. When resources are expected to come from the people themselves they would come more often than not in kind and labour than in money. Co-ordination of resources therefore implies co-ordination of physical as well as financial resources. Furthermore, these resources are not a "constant factor" like government finance budgeted for a year. They are more flexible, variable, sometimes even unknown, and cannot be taken as "given". When it is said that planning must be dynamic, what is meant is that it should take due cognisance of all the variable factors.

Thus, co-ordination of resources coming from different sources, in different forms and at different points of time, constitutes one of the most difficult administrative problems.

In the Community Project and N.E.S. areas attempts have been made during the last three or four years to get over these difficulties but the co-ordination of resources still leaves much to be desired. For instance, while it has been envisaged that at least 25% of the departmental resources should be invested in N.E.S. areas, but there is, in practice, a noticeable tendency to divert these funds away from the N.E.S. areas. It is apparently thought that, since the N.E.S. areas get special funds in any case, it is unnecessary or unfair to spend the departmental funds in the same area. Such an

attitude defeats the very purpose of the National Extension Service, viz. the achievement of a concentrated development in certain areas.

Lack of adequate co-ordination of resources of local bodies with those of the Government is another usual phenomenon. The reserve funds available with the village panchayats in a taluka may amount to quite a substantial sum. If properly co-ordinated with other funds they can finance many development activities. In the absence of such dovetailing of resources, the scattered resources of the local bodies are found to be too meagre and insufficient to produce any appreciable results.

Lack of co-ordination of people's resources available in individual capacity with other sources is not also uncommon.

To quote a typical example, from time to time, people keep deposits with different Government departments, e.g. Education, Medical, etc., as their "local contribution" towards the cost of building a school or a dispensary in their village. In the absence of supplementary government funds—recurring or non-recurring—the funds deposited by people sometimes remain idle; some of them even lapse and cannot be revived without the help of the Accountant General unless the development machinery at the state, district and block levels maintains integrated and watchful attention.

#### (2) Co-ordination in Assessing Needs:

The determination of over-all needs also presents difficulties. Wants, individual or social, are insatiable and every village if asked—as it was when "planning from below" was attempted—can produce a long list of felt needs which deserve to be satisfied immediately. Yet, what is relevant to planning is not a list of needs but assessment of their relative urgency both for a village and for several villages in a taluka or block or district. Sometimes the criteria for judging relative urgency can be purely objective, e.g. a village without a well must have it before another can have an additional well for its increasing population. But the choice becomes difficult when the need is somewhat less primary in character and competitors are very many, e.g. starting of a veterinary dispensary, a health unit, a maternity ward or an open air theatre. The difficulty increases when the quantum of people's participation is considered as one of the yardsticks

to judge the intensity of want. The wealthier and the more vocal are likely to get precedence over the poor and the dumb. In addition to intra-departmental and inter-departmental consultations, conferences and committee meetings, coordination for assessing needs requires the maintenance of continuous field contacts. The unpleasant job of saying 'no' to a superfluity before a necessity is satisfied has got to be done, even though some members of an advisory, consultative or co-ordinating committee may find it rather unpalatable.

#### (3) Co-ordination in Laying Down Priorities:

Assessment of needs and resources should, as a rule, automatically lead to a scheme of priorities. But even here difficulties are likely to arise due to differences in considerations which govern the decisions of different government departments. A typical case is one of rural electrification. A list of populous villages is drawn up, assuming that the needs for electrification of more populous villages is more urgent than that of less populous ones; their resources are examined and their ability to pay the royalty for street lights is ascertained. Priorities are then laid down. The list of priorities is now sent to Electrical Department, where a new consideration arises, viz. proximity to existing transmission lines. In the light of this factor the priorities may have to be altered. Less populous villages may get a priority over the more populous ones because they are nearer to transmission lines.

#### (4) Co-ordination in Satisfying the Priority Needs:

Priorities have been fixed and targets laid down. If the execution of the plan for reaching the targets is the job entirely of one agency, no further problems of co-ordination arise except those internal to the agency. But the attainment of the targets nearly always requires the efforts of more than one agency. Here again co-ordination comes into picture. Take the example of rural credit. Targets have been set for distribution of rural credit, of which, say 25%, is to be given in the form of fertilisers. The Co-operative Department has got the loan sanctioned and is ready to buy the fertiliser and deliver it at the door of the villager, but if sufficient stocks of fertilisers have not been arranged for previously by the Agriculture Department, the goal of giving

25% of sanctioned credit in kind is not realized. The difficult task of bringing to the ryot's door credit and stocks in right quantities, at right time and at right place requires the closest co-ordination between the Co-operative and Agriculture Departments. There may be several reasons why fertilisers in right quantities may not be available at the right time and place. One such factor which the writer has noticed is the unequal growth of the departments. When there is a substantial increase in the amount of rural credit to be distributed in kind, there must also be a corresponding increase in the number of agricultural depots and vehicles to supply seeds and fertilisers in sufficient quantities. The shortfall in the activities or field staff of the various departments working for an identical programme requires to be corrected by co-ordination at the highest level.

#### Ш

Co-ordination is not in itself the final action. It is useful only in so far as it leads to correct conclusions and promotes right action. It should be restricted to the minimum necessary. Recent years have witnessed the birth of several ad hoc agencies outside the normal departmental structures. This has greatly increased the need for co-ordination. Typical examples of these agencies are to be found in the Mysore State in the fields of rural industrialisation, rural welfare and adult education.

In the field of rural industrialisation there exist six central boards, the traditional Industries Department of the State, the newly emerged rural industrialisation department, and pilot projects and the industrial programmes in the community development blocks; and if rural industrialisation is to include agricultural industries (e.g. setting up water-pump sets for growing vegetable), the agricultural, the revenue and the electricity departments would also step in. Too many cooks are, however, likely to spoil the broth and if each cook has his own set of rules the confusion will be worse confounded.

In rural welfare the Social Welfare Board has spread out its own network of activities isolated from the Social Education Programme of the N.E.S. and of other traditional departments.

In Adult Education there is the competition between the Social Education Programme of the N.E.S. and of the State Adult Education Council.

The "Organisational Pluralism" is confusing even to the informed—not totalk of the ignorant villager for whom it is meant. An urgent administrative reform needed today is the elimination of

multiplicity of agencies working in the same field. Mr. Appleby has here sounded a timely warning: "Novelty of function and urgency of its need may dictate the establishment of new organisations for the purpose. In time the total consequence, if uncorrected, will certainly be a total proliferation of special organisations within the Government of such number and variety as to be unmanageable to Government. In every marginal judgement, the choice of expansion method should be in favour of expanding a going organisation. There should be a persistent movement of consolidation of special organisations—according to some schemes of coherent missions."

If elimination of multiple agencies is not practicable, there should be at least an elimination of diversity of rules and procedures followed by several agencies covering the same field. This again calls for coordination at the highest level. A typical case in point is one of rural development. There are the traditional rural water supply and rural communication schemes; there is the local development works scheme; there is the N.E.S. works programme; there are departmental development schemes, e.g. cheap design scheme for rural schools. The extent of the people's participation in these several schemes varies; powers of sanction of the appropriate officers differ, as also the methods of financing and powers to check measurements. No wonder one scheme tends to jeopardise the success of another. Here is a wide scope for streamlining administration through co-ordination.

All this brings out the complexity of co-ordinating processes. The complexity of co-ordination is a caution against too much planning, too comprehensive a planning, too rigid a planning. That also is a warning against the arithmetic summation of village plans to arrive at a national plan. An over-all five year plan without too many rigid details, an annual plan flexible in nature, and district and village schemes planned not once and for all but from time to time within the main plan's framework—only such an approach can ensure that problems of co-ordination do not themselves become so complex as to hold up action which such co-ordination should promote.

-FRANK DUNNILL (in 'The Civil Service')

<sup>&</sup>quot;The task of the head of branch is...one of great complexity... He must be 'a man of business, not a man of genius'. He must be a master of timing, but not a time server, an opportunist but not bereft of principle."

#### **HUMAN RELATIONS IN INDUSTRY**

#### B. N. Datar

(Problems of human relations arise in all fields of organized human activity. Industry is only one of many such fields, but it does provide an independent setting and raises its own special problems of human relations. A study of such problems and the general conclusions one might reach in regard to causes of dissatisfaction in industry and their remedies might lend themselves for application in other fields such as public administration and social services. Similarly an analysis of human behaviour in the public services may well provide lessons for industry. The author, who was specially deputed as a delegate from India to attend the "Duke of Edinburgh's Study Conference on the Human Problems of Industrial Communities within the Commonwealth and Empire" (Oxford, July 1956), has attempted in the article to give a brief account of how the Conference approached its task, how its deliberations were conducted and what conclusions were reached. He has also touched upon the significance of these conclusions from the point of view of public administration. — Ed.)

THE period of the First Five Year Plan was relatively one of industrial peace. Even so the number of industrial disputes came near the 5,000 mark and accounted for a loss of about 20 million man-days. A single dispute in Kanpur was responsible for about 10 per cent. of this loss and was spread over two months in 1955. Work stoppages have continued in the first year of the Second Plan at a disconcerting pace. In a country attempting an ambitious programme of development, work stoppage is a luxury which cannot be afforded and yet it would be unrealistic to close our eyes to the stresses and strains which exist within an industrial community at all times.

The very process of industrialisation reduces opportunities for personal contact between employers and workers. The channel of communication between them necessarily extends itself beyond a manageable limit. It becomes as much difficult for management to implement decisions that affect the day-to-day life of workers as it is for the latter to accept such decisions from a remote authority. What is true of an industrial organisation is also true of other large organisations, be they trade unions or governmental institutions. The basic problem, therefore, is, as Mr. Laurence Thompson puts it, "to strike a balance between the loss of technical efficiency through smallness and the loss of human efficiency through largeness".

An objective investigation of the study of human problems of industry requires to be undertaken periodically. In face of the rapid

scientific advance in technology and methods of production the industrial scene also changes rapidly and solutions which at one time looked attractive lose their meaning in course of time. That is why it is important not only to realise that patterns of human relations are changing but also to ask ourselves the question 'at what pace are they changing'? Studies in the mechanism of changing human relations were undertaken in the past by social scientists and technicians. But it is now being increasingly realised that persons who have to face each other in the course of their daily work—the rank and file of workers, personnel officers and shop stewards—should be brought in such studies not merely as 'guinea pigs' but as active associates.

In all countries, the development of human relations in industry is a complex of many factors. It is difficult to untangle fully the strands that go together to make up the fabric of human relations. These will include, inter alia, the stage of economic development, the existing socio-cultural patterns, the degree of political awareness and the quality of national character and leadership. The relative status of employers' and workers' organisations in industry and their attitudes to collective bargaining practices also determine the content of human relations. Recognizing the importance of such 'local factors' in the determination of human relations, it may be asked 'of what value can the fund of experience in one country be to those interested in similar problems in other countries?' The recent discussions at the Duke of Edinburgh's Study Conference on the Human Problems of Industrial Communities within the Commonwealth and Empire (Oxford, July 1956) throw interesting light on the common problems of human relations in industry and were based on the belief that this experience could be shared.

H

The Conference membership was about 300 strong. It had a delegation from each Commonwealth country, consisting mainly of representatives of employers from public and private sectors and trade unions. The Indian contingent was selected by the Government of India in consultation with the Joint Consultative Board of Industry and Labour\*. For securing a closer discussion of various aspects of human relations, the Conference was divided into 20 groups and so was the main theme of the Conference. Each group had, as far as possible, a balanced representation of the countries participating in the Conference as also of the employers' and workers' organisations. It was asked

<sup>\*</sup> The Board is a bi-partite organisation of employers and workers for promoting good and stable industrial relations.

to study in detail one of the twenty subjects and to contribute to two others. A group thus contributed to two other groups and, on the subject on which it was expected to report, received contributions from two groups. All groups were asked to visit London because of the special problems the city presented, problems which were of interest to the whole of Conference membership. The study tour in London was arranged either before or after the group's visit to another important industrial centre—important from the point of view of the subjects in which the group had primary or secondary interest. As it happened, this arrangement turned out to be the most advantageous for the study of problems on the agenda.

There was a complete informality in the group discussions and in other activities to which the Conference as a whole, or in groups, addressed itself. The setting provided by the University town of Oxford and the community life offered in the Colleges, where the groups were housed, afforded an ideal opportunity to discuss the various subjects at the Conference. But what was perhaps more important was the manner in which the membership of the Conference was placed completely at ease by the group Chairman who cut the geographical distance between participants from various countries by introducing the system of addressing one another by Christian names. What was true within a group was also true between groups.

The delegates were given a preliminary briefing at Oxford after its inauguration by the President of the Conference, H.R.H. the Duke of Edinburgh. A series of lectures were given by eminent authorities, leading civil servants, industrial magnates, business managers and top executives of some of the established trade unions. While, on the practical side, there were a number of success stories which one listened to in the Conference—perhaps the most impressive way of introducing discussions—the organisers had also arranged for theoretical analysis of difficult situations in human relations. With this briefing and preliminary discussion on the main subject of the Conference as well as on the topics on which each group was specifically asked to report, the groups dispersed for their study tours.

The deliberations in different groups revealed that the problems of human relations arose, *inter alia*, because of (a) lack of ownership by individuals of the tools of production, (b) the loss of pride in creation, (c) loss of family ties, (d) concentration of diverse populations in areas favourable to location of industries, and (e) difficulties in securing normal social amenities like housing, transport, etc. As the process of industrialisation gathers momentum, there is a further loss of individuality and an increasing remoteness from the employer.

While these are on the debit side of the modern industrial civilization, the main gain on the credit side has been the variety of products which it has brought within the easy reach of the common man. It is this advantage which perhaps outweighs the possible disadvantages of excessive concentration of population. Then, again, as was pointed out by Sir John Maud in the Conference, 'Industrialisation gives us the possibility of more freedom, and more slavery; more fellowship, and more loneliness; more security, and more precariousness; more civilization, and more barbarism; and between these opposites we cannot always choose'.

The Conference did not arrive at many new conclusions, but it did help in securing a wider basis for the conclusions reached individually in different countries. Some of the important points on which the Conference sought to lay emphasis were:—

- 1. Satisfaction at work is a complex subject. One should avoid simplifying it.
- 2. Effective communication is important for job satisfaction.
- 3. Monotony of work is not as serious a source of dissatisfaction as it is made out to be.
- 4. The size of the firm is an important consideration for maintaining better human relations. The smaller the size the better.
- 5. The ultimate success of all human relations machinery will depend upon the common purpose and integrity of the people connected with it.
- 6. Minimising social distance between employers and workers is a great step forward in maintaining happy industrial relations.
- 7. Traditional good relations between employers and workers are a great help in adapting to rapidly changing situations.
- 8. It is extremely important to choose, at all levels in the industry, men who will accept obligations to the community and to the workers in addition to their traditional obligations to the owners.
- 9. Workers should be given a sense of belonging in the fortunes of the undertaking.
- 10. Qualities of human relations personnel are more important than the techniques sought to be used.
- 11. There has to be a close and continuous pressure for research, experimentation, modifications and improvements.

12. Management at different levels should have an artist's awareness of human tolerances called for from workers.

There were also references to questions of housing and town planning, difficulties in travel, and to special categories of workers like those in agriculture, tertiary services, women workers, etc. The main contribution of the Conference lay in reiterating the importance of some of the well-known concepts which have assumed special significance in the context of the present stage of industrial and technological development.

While there was a general agreement as to the nature of problems that all countries had to face in the sphere of human relations in industry, it was emphasised that each country had to work out its own solutions taking into account its social, economic and political conditions. For instance, notwithstanding the contribution made by the employers' and workers' organisations, a large share of responsibility for minimising social distance between workers and employers must, in under-developed countries, necessarily devolve on the Government. To give workers a sense of belonging to the undertaking, production committees, works committees, and in some cases even direct participation by workers in management, are being tried, but it would have been foolhardy to suggest that one or the other measure would succeed in all countries. Again, the smaller the size of the establishment the greater the scope for healthy human relations but whether these relations can be effectively secured by providing for a large number of small units, or through the grant of adequate autonomy within the large establishment itself, will depend ultimately on the stage of industrial development in the country.

In the Oxford Conference, considerable emphasis was also laid on the complexities of management functions, dimensions of which have recently been widening not only within the factory itself but even outside. The important role which workers' unions are playing, and the constant pressure by them on management for increased participation of workers and the acceptance by the community of the new democratic values, call for a change in the outlook of management. They require of a manager not only capacities which would facilitate absorption of new techniques in planning, organisation and control, but also an awareness of the changing nature of each of such functions. Hence, the importance of continuous training of junior executives in the ranks both of employers and trade unions was specially underlined at the Conference.

Co-operation in industry was another subject which received special attention at the Conference. It was heartening to see employers'

delegates from areas like Northern Rhodesia or Johnnesburg and workers' representatives from British Guiana or Gold Coast sitting together and discussing how such co-operation could be improved to achieve maximum efficiency. The essence of co-operation in industry could not be better expressed than in the following words of Dr. J.C. Ghosh\*:

"Treat a man with respect and he will strive more and more to earn your respect. Discuss your problems with him, and it will set him thinking how the problem can best be tackled in the context of his own work. Men co-operate only as a result of agreement, which arises from mutual consultation. When you persuade large groups of men to co-operate in industry, you do more than improve the efficiency of that industry. You strengthen the foundations of a co-operative commonwealth.

"Co-operation becomes difficult if the tendency for industry to split into two camps, owners and managers on one side and workers on the other, be not checked. One way to avoid this split is to discover real ability wherever it exists in the ranks and to help promising men to climb up the ladder as fast as they can..... The motto should be, as in Napolean's army, that a soldier's knapsack carries a Field Marshal's baton."

#### Ш

What is the significance of the conclusions of the Conference for the administrators? This may best be considered in two parts:
(a) in relation to Government as industrial employer, and (b) in relation to the normal functions of administration.

Under the Second Five Year Plan there will be a large expansion of the public sector. The Plan has suggested that conditions of work in public undertakings should set the model for the private sector. The Plan also lays down that the public employer should not avoid the ordinary responsibilities of a private employer on the ground that he is not working for profit. The managements of public undertakings should not, therefore, normally seek exemption from labour laws or ask for other concessions not available to the private sector. The expanding public enterprises would, thus, provide ample scope for demonstrating, in actual practice, the contribution that good human relations can make to reduction of labour tensions and disputes, speeding up of production and improving the quality of work. The establishment of a socialist pattern of society is the accepted national

<sup>\*</sup> Address at the First Annual General Meeting of the Delhi Management Association\*

goal and good human relations in public enterprises will also show the way how individual dignity and freedom can be reconciled with efficient public management.

The problems of human relations which result from the increase in the scale of organisation and the size of operations of administrative agencies are similar in nature to those which arise in private organisations. For instance, the association of workers with the management of the establishment through the mechanism of works committees, and of public employees through the agency of Whitley Councils, both present the same baffling problem—one of assigning to them 'specific functions'.

The discussions at the Duke of Edinburgh's Study Conference should, therefore, be of special interest to administrators in so far as they reveal that work efficiency is as much a function of good human relations as of work methods and procedures. The effectiveness of the worker, be he a public servant or a private employee, depends upon the total satisfaction he obtains in his job. To quote a sentiment expressed outside the Conference room: "It must be understood that a man brings to a factory or an office more than the hands with which he works. He brings a part of his life—he lives it there—and he should be able to enjoy rights and satisfactions in that working life just as he does in his life as a citizen."

The Conference sounded a warning against the danger of simplifying the complex concept of satisfaction at work. Various incentives, financial and non-financial, have their value, as also have the different devices for associating workers with the management of the undertaking. But more important than all is the general climate, *i.e.* the general pattern of human relations. And this general climate is set mostly by the top management.

The leader of an organisation, public or private, can infuse confidence among the staff and raise the general tone of morale by setting an example of informality, fairness, and regard for employees' interest. Communication, both from the top administrator to the ordinary employee and from the latter to the former, has a special significance in this connection. 'Bad communication' is, more often than not, responsible for a general sense of dissatisfaction and frustration even when the personnel policies of the organisation are quite satisfactory.

## PANCHAYATS AND DISTRICT DEVELOPMENT ADMINISTRATION

#### P. C. Suri

WHILE community projects and national extension service are two of the most remarkable developments of recent years aiming at a radical transformation of India's rural economy, their achievements will hardly be lasting unless village panchayats are accepted, and brought into picture, as the basic units of village planning and development.

In the First Five Year Plan, panchayats were visualised mainly as the agency at the village level for development, welfare and land management as well as for land reforms. This role was, in principle, fully accepted by all the State Governments. In the Second Plan, specific measures have been recommended for building up active panchayats in order to secure the broader aims of (a) comprehensive village planning (after taking into account the needs of the entire village community, in particular, of the weaker sections like tenant cultivators, landless workers and others); (b) bringing about a more just and integrated social structure in rural areas; (c) the development of a new type of leadership in village society which is in a state of rapid transition; and (d) for completing the pattern of district administration envisaged in the national extension and community development programmes.

During the last two decades or so considerable thought has been devoted to certain basic issues relating to the development of panchayats, such as the concept of 'self governance' and questions of structure, functions and relationship between panchayats and co-operatives. Panchayats have been generally conceived as a sort of rural municipal committees. But the concept of 'self governance' in relation to panchayats is hardly tenable in a country working for planned speedy development. The political approach behind the term 'self governance' (which regards village panchayats as small republics) would isolate panchayats from the major sources of strength. It confuses the real role of panchayats which basically is that of a planning, executive and multipurpose organisation at the village level, fitting its activities into the pattern of the over-all district and state plans. The panchayat may be required to assist the various departments of the government, and even to execute some of their schemes.

The problem of relationship between panchayats and the administrative organisation for district development is inherently linked up with that of over-all reorganisation of the district development administration. At present, four agencies, viz. (1) normal district administration, (2) community projects administration and national extension service, (3) district local boards or federations of panchayats, and (4) panchayats and municipalities, are in position in the district. Suitable arrangements are being worked out to secure co-ordination between (1) and (2). There is, however, a strong difference of opinion whether the personnel of the revenue administration can or should be employed also for the development and welfare functions of the government. Considerable administrative and financial powers have been delegated to the lowest co-ordinating point, i.e. the Block Development Officer. A number of issues relating to co-ordination in respect of functions, finances and personnel for all the four groups of agencies, in particular for the last three, still remain to be studied and settled. The exact place and role of panchayats in district development administration cannot be determined without a fuller consideration of these problems. Important among them, which are specially relevant here, are :-

- 1. The nature and size of the functions to be performed up to the district level for securing rapid development, and progressive evolution of a new social order, during the next 10 years or so?
- 2. What would be the most rational distribution of these development functions among the existing agencies and organisations?
- 3. What would be the most effective pattern of co-ordination between the normal district administration and the community project and national extension organisations and how can the work of the panchayat as an executive-cum-planning village agency be best co-ordinated and integrated with the current programmes of these organisations? What would be the most appropriate role of panchayats in the post-community project arrangements?
- 4. (a) Should there be a co-ordinating, supervisory and executive unit of people's organisation above the level of panchayats? If so, how should it be constituted? What should be its relationship with panchayats in regard to functions, finance and supervision?

- (b) Should this unit have more functions than the present district local boards? Should it also act as the agent of the State Government in regard to community project and national extension programmes? If so, in what manner and in what stages should this integration be brought about?
- (c) Should its functions also include the entire general administration other than such functions as law and order, administration of justice and certain functions pertaining to revenue administration?
- (d) Should the intermediate unit be set up at the block level, the tahsil-cum-divisional level or the district level?
- (e) In what manner can it be provided with adequate resources (administrative, technical and financial)? Estimates of the resources required?
- 5. In what manner should the various local self-governing organisations in rural and urban areas be co-ordinated with each other and with the district administration?
- 6. Is there a need for a supervisory-cum-planning body at the district level (exercising most of the powers of the State Government) for securing over-all co-ordination as between various agencies functioning in the district? What should be its functions? How should it be constituted and in what manner should it function?
- 7. To what extent should the powers vested with the State Government be delegated to the district level and the powers at district level to lower levels?
- 8. What should be exact roles of the Collector, the Sub-Divisional Officer, the administrative services, and the representatives of the people, social workers, etc. in the execution of the district development plans?
- 9. What would be the most effective arrangements for review of activities and assessment of results?

In deciding upon the solution of one or more of these problems t is necessary to bear in mind the twin objectives of higher administrative efficiency and participation of the people in development activities. A rational administrative structure has to be evolved to avoid overapping of jurisdictions and the consequent confusion, delay or wastage of resources. A national plan which aims at building the future productive capacity of the nation leaves relatively lesser scope for

increasing the standards of living in the present time. This lack of adequate material incentive can be balanced by the incentive of popular participation. Working apart, both the administrative machinery and the people's organisations have limited capacity; working hand in hand they will add substantially to each other's effectiveness.

II

A major handicap to the growth of panchayats has been the inert nature of rural life and economy. The early British regime undermined the community cohesion in the village by commercialising agricultural production and by certain administrative and legal measures. For instance, in Mysore, panchayats have been functioning on the State-wide scale for the longest period and have been allotted  $12\frac{1}{2}\%$  of land revenue (about 4 annas and six pies per head per annum). Yet the villagers have "not shown sufficient interest", nor "will to join together for common good". According to the State Government the basic reasons for this failure are: (1) incapacity of the rural economy and society to retain intelligent persons in the village, (2) organisational defects (including non-viability of village groups), and (3) inadequate provision for social education. The basic pre-condition for the development of panchayats, therefore, is the development and diversification of the village economy and its capacity to provide work and pleasure.

The programme of making panchayats effective has more often than not been resisted by agencies or individuals who regarded them as rivals to their own authority or prestige. In fact, it was noticed that after the establishment of panchayats, and delegating to them powers and functions (without providing for adequate finances), certain elements in administration adopted an indifferent or unhelpful attitude towards their successful functioning. On the whole, the arrangements for guidance and supervision by the administration are thinly spread out and the rules prescribed discourage rather than encourage activity. In some States the financial control has served even as a positive disincentive to the collection of funds by panchayats. The village community has, at places, shown preference to collect funds for their needs directly, without going through panchayats. Indeed, why should it collect funds to have them frozen in the hands of panchayats?

The rural leadership, particularly the landlord leadership, has been losing its hold on account of land reform measures and is even jealous of village organisations. The new leadership has yet to emerge or is in the process of emerging. In some areas the federal elements have manoeuvered to capture powers in panchayats. The

Committee of Direction for the All India Rural Credit Survey has hazarded the view that, in most villages, neither panchayats nor an ad hoc committee would be an appropriate organisation because both of them are likely to represent precisely those elements in the village, which, by and large, operate against the interests of the middle and small cultivators. Where, on account of their numbers, lower castes were elected, generally the influential high caste or landlord sections of the village made it impossible for panchayats to carry on their work. In fact, the richer elements have not infrequently held back their dues to panchayats.

The panchayat is an executive organisation whose part-time chief executive, *i.e.* sarpanch, is normally untrained and unexperienced to perform the duties of a panchayat leader. He has also to earn his livelihood, and the nature of his profession in no way helps him to develop qualities required for rural leadership. The implications of this factor have not been adequately taken notice of.

Panchayats have been allocated functions but not adequate resources. Lack of resources and consequent lack of activity, *i.e.* existence of authority without scope for work, has been a major cause of factions and demoralisation in many panchayats.

Panchayats have also tended to create new factions and some panchayats function on the basis of caste-alignments. Powers vested in panchayats may even be abused. There is support in the political parties for making the elections non-political.

A village community, by and large, does maintain a balance of power, through domination, integration or compromise, except when it is in actual conflict within its ranks. The so-called 'factions' are very often social or caste groups which do not always have a negative role. There is a persistent sense of insecurity—economic as well as physical—in the rural set-up. Social grouping in the village, to an extent, provides security. There is need for adequate understanding of the role of such groups in maintaining the rural balance of power.

The past experience with the working of panchayats generally confirms the growing belief that unless they are developed as an integral part of district development administration they will not be able to fulfil the multipurpose role allotted to them under the Second Plan. The two main causes for their uneven and rather tame achievements have been (i) neglect on the part of administration to build up panhayats as executive units, and (ii) absence of co-ordination with the work of other agencies and departments and lack of integrated support by district administration. Even for the enforcement of their decisions, anchayats depend upon the administration.

This does not, however, imply that, given adequate resources and support, they are not capable of achieving remarkable results. In fact, despite the present limitations, some panchayats have done very well. Important among these achievements worthy of notice are:

- (1) In Bihar, financial assistance of approximately 3 annas and 9 pies by the state has stimulated a great deal of constructive activity in the field of irrigation, drinking water supply, communications, sanitation, education, etc. The Bihar Panchayats have also to their credit the construction of 144 miles of embankments on the banks of *Kosi* and *Boorigandak*.
- (2) In U.P., the *Shramdan* (voluntary labour) campaign resulted in a contribution estimated at over Rs. 9,00,00,000 over a period of 5 years.
- (3) In Rajasthan, panchayats have executed water supply works worth of Rs. 1,05,16,000 during 1955-56.
- (4) In Punjab, a sum of Rs. 3,03,00,000 was contributed by the people in the C.P. and N.E.S. areas. This work has been done almost exclusively through panchayats. According to the State Development Commissioner, panchayats, whatever be their limitations, represent important "implementing units" of the development programme.
- (5) Given leadership and unity, what can be done by a panchayat is illustrated by the functioning of Kevadra Panchayat in Saurashtra during the last five years. It has to its credit construction of works for over Rs. 73,000; a multipurpose co-operative society which runs two flour mills, two hullers, one cane crusher; a 40-acre farm for demonstrating improved methods of agriculture; a cow-shed and a studbull; a godown for storing fodder; social education classes; playgrounds for children; water seal latrines; an ayurvedic dispensary and a library. The panchayat collects resources for specific schemes, and functions by allocating its work between its different members.

### III

Apart from its effectiveness in securing popular participation, the panchayat is an urgent administrative need today for the simple reason that it is the cheapest way of getting things done. Despite the strengthening of the district administration with the community project and national extension staff, the "bureaucratic" arrangements would still remain inadequate. A Village Level Worker, for instance, has to cover, on an average, 1300 families for his primary function, *i.e.* agricultural extension. This work has to be concentrated in a few weeks

before the sowing seasons. He cannot, therefore, reach each family without the support of panchayats. The follow-up of extension ideas from day to day can only be looked by a village organisation.

Planning at the village level involves planning for each family as well as for the common needs of the village community and cannot be undertaken without the active assistance of panchayats. They must, therefore, have integrated support of the administration from the Cabinet level down to the field, as in the case of national extension organisation. They should be not allowed to remain the responsibility of the Panchayat Department which does not have either the authority or capacity for the required co-ordination, nor for obtaining technical assistance and integrating the village plans into the district and state plans. The development of panchayats as an effective planning-cumexecutive organisations in the hierarchy of district development administration calls for a conscious effort and persistent support on the part of leadership both within and outside the administration. In this connection, the recent Development Commissioners' Conference held at Nainital has recommended that:

- "(i) Intensive effort should be made, through strong and competent organisations formed at each level from the Centre going right down to the Block, for the proper development of panchayats and intermediate local authorities as more and more reliance has to be placed in future on these institutions for the furtherance of the community development and national extension programmes. The ultimate guarantee of the permanance of the (community development) movement would largely depend on how well these village and intermediate local authorities are established and made into efficient people's organisations for carrying through their own programme of welfare.
- (ii) It is essential that at the State level the responsibility for developing panchayats should vest in the same organisation as is responsible for the developmental programme. The details of the organisation for developing panchayats should best be determined by each State for itself."

In other words, there is urgent need today for (a) adequate backing of village panchayats by the government, and (b) the location of responsibility for their efficient working in those ministers, officers or departments who by their position can provide the necessary administrative support. The writer ventures to suggest that the Chief Minister at the ministerial level, the Development Commissioner at the secretariat level, and the Collector, the Sub-Divisional Officer

and the Block Development Officer at the levels of the district and below should be responsible for the development of panchayats.

If panchayats have to function satisfactorily as executive bodies, most of the decisions on behalf of the Government should be available to them from the Block Development Officer. The powers of the Deputy Commissioner in regard to panchayats should also be vested in him in a large measure, and the powers and responsibilities exercised at the secretariat level should, to the extent practicable, be delegated to the Deputy Commissioner.

The process of making panchayats effective also involves provision of trained nuclear staff, adequate financial and technical resources, training of panchayat leadership in decision-making and supervision, and mobilisation of people's resources for the execution and maintenance of works and the implementation of other programmes. A major responsibility, therefore, devolves on the Government to build up a pool of from half a million to a million of people's executives at the panchayat level. It is estimated that there will be about 29 lakhs panchayat members when the entire country is covered by panchayats.

### IV

The various tasks to be performed by panchayats under the Second Five Year Plan relate mainly to community development. It becomes, therefore, necessary (a) to determine urgently the relationship between panchayats and the national extension organisation both at the village and block levels, and (b) to arrange for the training of panchayat executives. These matters have not received adequate attention. There is at present lack of co-ordination and the consequent wastage of human effort and resources. There are no proper arrangements for training of sarpanchas and panchas\* and panchayat secretaries. The latter have too large jurisdictions ranging from one to 12 panchayats. The activities of the Village Level Worker (V.L.W.) and Panchayat Secretaries have yet to be co-ordinated and it is for serious consideration whether or not the functions of the both can be adequately performed by one and the same individual. If not, what should be their relationship to meet the requirements of integrated village planning and development.

There exist two schools of thought in regard to the relationship between Village Level Workers and Panchayat Secretaries. The first school holds that:—

(i) The V.L.W. should act as Panchayat Secretary; or

<sup>\*</sup> heads and members of Panchayats

- (ii) The V.L.W. should act as development secretary to panchayats (in addition to Panchayat Secretaries); or
- (iii) The V.L.W. should act as Panchayat Secretary for his headquarter's panchayat; while Panchayat Secretaries in V.L.W.s' jurisdiction could act as V.L.W.s in their jurisdictions.

According to the second school, the V.L.W. is essentially an extension man. He may advise panchayats but should not get involved in their functioning.

It is generally agreed that, in principle, it would be an effective arrangement to combine the functions of the V.L.W. and Panchayat Secretary in one person, provided a Village Level Worker could be appointed for each panchayat. If the Village Level Worker is not able to take on the full workload of Panchayat Secretary, he should at least be able to act as development secretary to panchayats in his jurisdiction. With his training he would provide executive assistance and advice; as an agent for obtaining State assistance he would command influence; and as a servant of the Government he would be able to maintain his independence. His association with panchayats would also strengthen his own capacity to reach and assist the people.

### Against the above view it is argued that-

- (1) Since panchayats have both regulatory and development functions, the association of the Village Level Worker with them would undermine his popularity as an extension man. He may get involved in factions and he may become authoritative in approach.
- (2) The State Governments would be inclined to dispense with the need for appointing Panchayat Secretaries or postpone their appointments to save funds and as a result the Village Level Worker may have to carry the whole load of work as Panchayat Secretary. His jurisdiction may also not be conterminous with that of the panchayat.
- (3) As a development secretary to panchayats, the Village Level Worker may have to carry more load than he can bear. He has, on an average, to attend to 1,300 families as against 500 families, regarded as an adequate load by the Programme Evaluation Organisation. He would not, therefore, be able to carry additional load of work.

In the view of the present writer, there is no reason why the Village Level Worker, concerned only with the development activities

of panchayats and not associated with their regulatory functions in any manner, should lose his popularity. On the other hand, this association would enlarge his reach to assist each family in a concrete manner, both in the formulation of its annual production programmes and later in getting state assistance either through the panchayat or co-operatives. Nor is a Village Level Worker, whose responsibility vis-a-vis panchayats would be specifically defined and who would be under the control of the Block Development Officer, is likely to be appropriated by panchayats as a regular Panchayat Secretary. In practice, where Panchayat Secretary is not appointed, the regulatory functions of the panchayat would get ignored, while the development functions of the panchayat would suffer to a lesser extent, without increasing much the load of work of the Village Level Worker. Rather than getting involved in factions, because of his influence and resources for the development work, he would have a constructive role to play. Village Level Workers were to act as Panchayat Secretaries at their headquarters alone, there would be a saving of the order of Rs. 2 crores per annum against a total bill of Rs. 11.6 crores for providing the Village Level Workers on the present basis and one Panchayat Secretary for a population of 3,000.

The whole question of the respective roles of the Village Level Worker vis-a-vis Panchayat Secretary requires expert study and experimentation. The exact role of the Village Level Worker has not as yet been finally settled. At times, he emerges as a multipurpose agent of administration. At the other extreme is the view that he can even be an extension man (as distinguished from a liaison man for extension which of course he has to be). In U.P., a research study of this problem is already under way.

A broad distribution of responsibilities between panchayats and the Village Level Workers and the manner in which they will co-operate would be on the following lines:

Panchayats would call the representative of each family of the village and invite the chairman of co-operatives. The Village Level Worker will assist this assembly to obtain an over-all assessment of the felt needs of the village community; explain to them, on the basis of surveys and other technical guidance he has received, the priorities and the scope for the schemes that could be taken up during the coming season and the state aid available; prepare schemes; make an estimate of the requirements of the short term credit and supplies for the seasonal programme; put forward new ideas for experimentation or introduction during the season; obtain offers for experimentation; and prepare the over-all plans for the season, both in the production sector as well

as for local works programme based on the idle man-hours available during the period. It will be the joint responsibility of panchayats, the chairman of co-operatives and the Village Level Worker to explain the manner in which the co-operative movement would assist them individually as well as collectively and then frame the programme for the formation of co-operative societies or for increasing the membership of co-operatives. The chairman of the co-operatives will also thus be able to assess the extent to which he can expand his organisation and organise either short term credit or supplies on an assured basis. The Village Level Worker would be paying periodical extension visits to villages. Both panchayats and the Village Level Worker can make use of these visits to check progress in actual implementation of the village plans as well as to ensure timely provision of facilities or assistance which the Village Level Worker has to procure for the purpose.

Co-ordination between panchayats and the Village Level Worker, as envisaged above, would require that Panchayat Secretary should be trained as an office clerk-cum-accountant and also as assistant to the Village Level Worker. His training should, therefore, be co-related with the training of the Village Level Worker in order to enable him to render effective help to the latter.

A major function of the administration at the Block level should be the training of panchayat executives. The main instruments for training should be (a) the process of working out village plans, (b) seminars for training sarpanchas, more or less on the lines of the orientation training given to Block Development Officers, and (c) the use of Block Advisory Committee which should, as recommended by the Nainital Conference of Development Commissioners, have on it representatives from each panchayat. The primary objective of the Block Development Committee is to secure the participation of the people in development administration of the area. These Committees should, therefore, function not in an ad hoc manner as they generally do at present, but as a special phase of a clearly thought-out process of communication of ideas and experiences between the administration and the people, for co-ordination and consideration of the decisions of village planning units and for follow up on the execution of development plans. Their meetings should be preceded by, followed or merged in, seminars which may last 3-4 days at a time to train panchayat executives in regard to the specific programmes to be undertaken in the season.

Thus, in about three years, *sarpanchas* would secure very purposeful training for about a month at very little cost to the Government and at little inconvenience to themselves.

A fuller development of panchayats will not be secured by administrative arrangements alone. These arrangements, at the present stage, have to be initiated without adequate knowledge of social stresses and strains, economic and cultural forces, the talent or lack of the thrown up by panchayat elections, and the scope that the available resources—material and human—provide for activity and initiative and, therefore, for growth. The possible impact of each of the above factors requires to be studied carefully. Here, the experiment initiated by the All-India Village Industries and Khadi Board under their intensive area scheme, (which is being taken up in responsive rural areas where constructive workers of standing are available for organisation) deserves to be watched. The two important features of this experiment are:—

- (a) An assessment of the existing use of resources, both material and human, and the presentation of a potential realistic picture of the future to the people.
- (b) The main assistance to be given by the Board will be for training people either in new skills or in improving their existing skills.

The expectation is that the enlightened self interest, invoked by the presentation of an integrated picture of the future in terms of production, consumption, relief from drudgery, employment, etc. would motivate both the individuals and the community to sustained effort at a somewhat higher technological level.

No objective study or research has as yet been made in regard to workloads—regular, seasonal, and ad hoc—which would result from the assumption of the various development functions by panchayats. There is also the need for evaluation of "what in fact happens on the field". Suitable operational studies should be organised to find out what changes in the existing legislative framework, rules and regulations, structure, administrative practices, training methods and the nature and form of assistance are required to develop in panchayats capacity to undertake the new manifold tasks.

It is equally important to lay down a specific period (say, 7 to 10 years) within which panchayats should be developed to their full stature and strength, as an integral part of administration.

Whatever the administrative arrangements, the success of panchayats would ultimately depend on the opportunities they get and create for activity and initiative. By the same token the success of the administration, and in particular of the national extension and

community project organisation, will be tested by the extent it succeeds in integrating its programmes with those of panchayats. In the First Five Year Plan, the attitude of the community project and national extension organisations varied (quite understandably) from apathy and eschesitation to confidence in panchayats. Where confidence and faith shown and administrative backing provided, the results have been certainly better and should be more lasting. We have yet to see a firm beginning of the 'self generating' process of development. If prompt steps are taken to break up the state plans into district plans and if all the sources of assistance (about Rs. 45 crores in the community project and national extension budgets, Rs. 15 crores for local development works, Rs. 14 to 28 crores for rural work supply and provision for rural roads, minor irrigation, irrigation channels, rural sanitation and education) are brought together and necessary administrative measures taken, there would be ample scope for local activity and initiative. It would be equally necessary to implement, in actual practice, the recommendation of the Planning Commission for providing financial and other resources to panchayats.

"The effect of the people's agreeing that there must be central planning, without agreeing on the ends, will be rather as if a group of people were to commit themselves to take a journey together without agreeing where they want to go: with the result that they may all have to make a journey which most of them do not want at all."

-FRIEDRICH A. HAYEK (in 'The Road to Serfdom')

## THE REORGANIZATION OF THE NASIK COLLECTORATE

### M. R. Yardi

[The important part played by the Collector in the administrative system of this country needs no explanation for our Indian readers. The whole system of administration is based on the district as a unit. The head of each district is a senior officer and functions as the "Collector" (of revenues and other government dues), the "District Magistrate" (responsible for the maintenance of law and order), and the "District Officer" (responsible for general supervision, control and guidance of development programmes, i.e. education, health agriculture, national extension, community projects, etc.). The office and the staff under the Collector are generally referred to as the "Collectorate". It is easy to see how the success or failure of district administration depends on the efficiency of the Collectorate. Many of the States have made special investigations, from time to time, into the working of district administration. We give elsewhere a summary of a recent such investigation conducted in U. P. The present article gives a short account of an attempt made by the writer in his capacity as a District Collector to improve the efficiency of the Nasik Collectorate.—Ed.]

Collector of Nasik conformed generally to the pattern obtaining in other Collectorates. This Office was reorganized and an Organization and Methods Unit constituted in August, 1954, with the twin objects of preventing delays and ensuring efficiency. The Inspection and Organization and Methods Section of the Government of Bombay reviewed the working of the reorganized Collector's Office in the month of May, 1955, and recommended to the Collectors of six other Districts to reorganize their offices on similar lines on an experimental basis. This article attempts to discuss briefly the main features and results of this reorganization.

H

In order to appreciate fully the scope and extent of the reorganization, it is necessary to have a clear picture of the layout of the Office as it existed previously. In the pre-war days, the Office consisted of three branches, viz. (1) Revenue, (2) Home and General, and (3) the Accounts Branch forming part of the Treasury. The post-war problems of equitable distribution of necessities and essential

commodities and of the resettlement of demobilised soldiers led to the addition of two new branches: (4) Supply Branch and (5) Office of the District Soldiers', Sailors' and Airmens' Board. The emphasis on development and welfare work, which necessitated the increasing association of administrators with the people's organisations, was responsible for the establishment of the District Rural Development Board since reconstituted into a District Development Board with the Collector as its President. Although despatch work was centralised for the whole Office, typing in each branch was done separately by a typist or typists attached to the branch.

The old set-up suffered from two major shortcomings:

Firstly, distribution of work among the clerks and branches was made subject-wise without regard to the workload devolving on them. A census of receipts in the Collector's Office disclosed that about 47% of the receipts were received in the Revenue Branch, consisting of one gazetted officer, one Aval Karkun and eight clerks as against the office's total strength of two gazetted officers, nine Aval Karkuns and nineteen clerks. Such an unequal distribution of work was one of the main causes of inefficiency and delays in disposal. Secondly, besides its normal work which was heavy, the Revenue Branch was also responsible for carrying out office inspection and Jamabandi (annual settlement of revenue) of some taluka (Tahsil) offices. For this purpose the whole of the Revenue Branch used to be out on tour for about ten days in each month during the dry season, thus causing a good deal of dislocation of the work at the headquarters. Branch could not, therefore, pay adequate attention to the inspection work; nor could it keep an effective watch on the compliance with directions recorded in the inspection notes. Thus, though Jamabandi and inspection are important functions of the Collector's Office, the way they were carried out was not calculated to improve the tone of the district administration.

### Ш

To overcome the shortcomings referred to above and to streamline its structure for purposes of swift action the Collector's Office was reorganized and divided into units, each consisting of four clerks and one Aval Karkun. The revised layout did not affect the Supply Branch and the Office of the District Soldiers', Sailors' and Airmen's Board, which are temporary departments. After the separation of Treasury, the Accounts Branch has also been constituted into a separate unit under a Deputy Accountant. The Aval Karkun, who is a qualified and experienced clerk, is in charge of the unit and occupies a pivotal position in the reorganized set-up. The filing system in use in the Collectorate is based on a division of the correspondence into a number of broad subject-headings called "compilations"; each compilation is then broken up into individual files according to the detailed subject-matter or items of work dealt with. In order to achieve an equitable distribution of work among individual clerks and heads of branches, the compilations handled in the Collector's Office were listed under two categories: 'major' and 'minor' according as the work was heavy or light. These compilations then were so allotted to the clerks that no clerk had to handle more than one major compilation. As far as possible, homogeneous subjects have been allotted to units, keeping in view the need for equitable distribution of work among Aval Karkuns and heads of branches. The typing work is now centralised in a typing section, which along with the two clerks handling despatch, has been constituted into a Typing and Despatch Unit.

Under the reorganization, an Organization and Methods Unit was created for looking after the normal O & M work. The task of inspecting the Jamabandi work and the Taluka offices has also been made over to the O & M Unit; but the inspection squads are strengthened by addition of clerks borrowed from other dealing units. For example, the squad for inspection of one of the talukas consisted. apart from the Chitnis, the Assistant Chitnis and the three members of the Organization and Methods Unit, of six clerks including the Record Keeper drawn from three sections. While such a composition of the squad ensures the necessary expertise and knowledge of the case law, the work done under the former Revenue Branch does not. under the present arrangement, come to a standstill. The squad has also been instructed to take with them delayed cases pertaining to the concerned taluka for purposes of disposal on the spot. The organizational layout of the Collector's Office before and after the reorganization is shown in the charts at pp. 45-46.

### IV

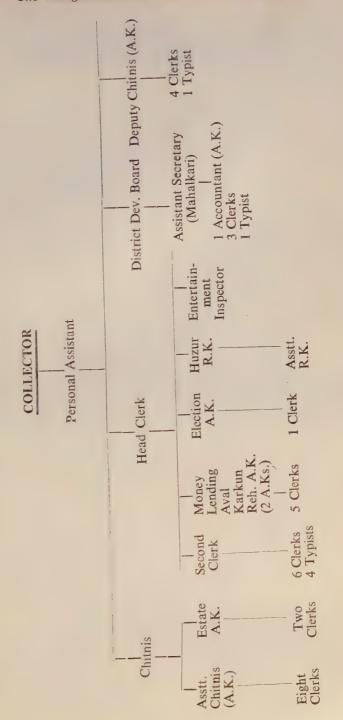
The O & M Unit has done some useful work in methods analysis and issued comprehensive instructions to set right some of the main causes of delay such as loss of papers, improper handling, procedural defects, etc. An attempt has also been made to mechanise office procedure so as to reduce workload and to improve quality. The important defects which have come to the notice of the O & M Unit and the reforms recommended or introduced in each case are summarised below for the benefit of other Collectorates:

### (1) Faulty Allocation of Duties and Responsibilities

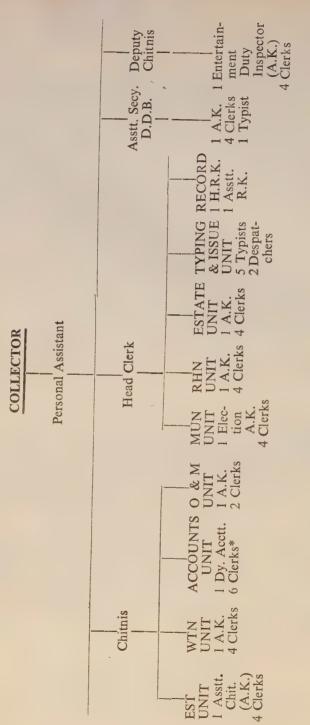
In order to create in every member of the staff a sense of responsibility and a feeling of participation and to eliminate

# The Organizational Layout of the Collector's Office, Nasik

## (Before Reorganization)



The Organizational Layout of the Collector's Office, Nasik (After Reorganization)



\* After decontrol, Supply work has been temporarily put under the supervision of Deputy Accountant.

overlapping of functions, excessive concentration of authority, and disparities in workload, the duties of clerks, *Aval Karkuns*, heads of branches and officers have been properly defined. With a view to encouraging a sense of responsibility, it has also been laid down that every officer on transfer should hand over complete charge of the cases pending with him.

### (2) Defective Co-ordination and Control

### (i) Co-ordination:

Monthly co-ordination meetings of the senior officers in the Collectorate are now held under orders of Government to discuss delayed and complicated cases. A separate meeting of the executive agencies is also held to discuss the progress of development programmes. These meetings are usually held on the 3rd and the 4th of every month when all officers are generally expected to be at the headquarters.

### (ii) Internal Control:

Internal control over the staff in the Collector's Office is secured by a scrutiny of abstracts of weekly disposal and monthly inspections of the work of clerks and Aval Karkuns. The Aval Karkun has to put up on every Monday (1) on a prescribed proforma an arrears' list for each clerk under him, and (2) a weekly abstract showing disposal of 'await' cases. Scrutiny of abstracts gives an idea to the Collector about the cases pending over a fortnight, handling of fresh receipts, issue of reminders, disposal of 'await' cases and the average rate of disposal of work for each clerk. These two weekly abstracts are sufficient to enable any inspecting officer to assess properly the workload and turnout of a clerk.

The Aval Karkun is held responsible for carrying out the inspection of office files and records once a month. The Branch officer (corresponding to a superintendent) is directed to inspect daftars\* of at least two clerks who are heavily in arrears. The inspecting officers are required to give proper instructions to clerks for final disposal of complicated cases. A questionnaire form has been devised for these inspections. The inspecting officers have to record their remarks regarding the work of a clerk on separate slips of papers so that these can form a basis of annual confidential reports.

<sup>\*</sup>office files and records

### (ii) External Control:

Better control over subordinate offices is now secured partly by improvement in the system of annual inspections which have been in vogue for a long time and partly by monthly visits of officers from headquarters.

The following instructions have been issued for carrying out the inspections of outside offices:

The Inspecting Squad should draw notes on important matters of routine procedure corrected on the spot. The notes should be helpful to the subordinate officers.

There should be one complete intelligent note on each procedural defect or any irregularity instead of a repetition of the same point on similar but different matters.

The Inspecting Squad should arrange the inspection notes in the following order:

Assessment of work of every member of the staff.

Establishment matters.

Procedural inrregularities.

Delays in disposal.

Account matters.

Record Room.

Implementation of O & M orders.

Miscellaneous.

A meeting of village accountants is usually held in each taluka every month at which the Mamlatdars take a review of pending work and issue instructions to the village and circle staff. Each taluka is now visited by a gazetted officer from the headquarters who takes along with him a list of cases in the Collectorate or in the Sub-Divisional Office pending over a period of one month. The officer tries to get these cases disposed of on the spot and also verifies whether the O & M orders are being carried out. Each visiting officer has to submit an account of the proceedings of the meeting, in the prescribed proforma, for the Collector's perusal.

### (3) Defective Scrutiny, Noting and Drafting of Reports and Orders

### (i) Scrutiny:

Stress is laid on the proper handling of cases and

applications at the initial stage so as to avoid back references and tossing of cases between offices. The noting on cases in the Collector's Office and orders, and reports of the subordinate officers, were found to be too sketchy to decide the questions at issue. To remove the defect it has been prescribed that:

- (a) If the applications are not accompanied by relevant documents or not properly stamped, they should be returned to the applicants without any further action for remedying these omissions.
- (b) No information should be called for from other offices if the information could be gathered with some extra effort in the Collector's Office from the district forms or from the office of the District Inspector of Land Records.
- (c) Letters, complaints, petitions should not be sent to field officers for report or information only with routine endorsements. They should be studied carefully at the initial stage and the points on which the information or a report is required should be stated clearly in the forwarding endorsement.

### (ii) Noting:

Noting should be brief and to the point, stating (1) the point at issue; (2) the circumstances leading thereto; and (3) the law, rule or an order applicable in the matter.

### (iii) Reports:

Reports in complicated and bulky cases should be self-contained, giving briefly the facts of the case, the points at issue, discussion of the merits of the case and the opinion or recommendation of the reporting officer. When files accompany such reports, the papers should be properly assembled, paged and references to the relevant pages given in the margin of the report.

### (iv) Orders:

No order, statutory or otherwise, should be issued in the form of an endorsement. Orders should be selfcontained, starting with a brief and clear statement of facts and ending in a clear decision or direction.

### (v) Ancillary Issues:

When some ancillary issue crops up in any case, a fresh correspondence should be started so that the original issue does not get side-tracked. A copy of the order passed in

initiating the ancillary issue should, however, be kept with the original file.

### (4) Unsystematic Disposal

One of the main reasons for delay was found to be unsystematic disposal. Cases were not dealt with in the order in which they were received. Instructions have, therefore, been issued to dispose of cases chronologically with due regard to urgency. If any complicated cases cannot be disposed of as they are received, they are taken up on Saturday which is earmarked for the disposal of arrears pending over a fortnight. In order to enable the clerk to do this, the non-urgent incoming mail of Saturday is distributed on Monday. Arrears, i.e. cases ripe for action pending over a fortnight with any clerk, are reported in the weekly abstract which provides a good index for judging the clerk's work.

It is generally expected that an 'await' case, *i.e.* a case which cannot be disposed of until receipt of information or report from a subordinate or an outside office or offices, should be finally closed within a period of three months. The revised instructions now indicate how and when reminders should be sent and at what stage a delayed case should be brought up for discussion at the 'co-ordination meeting' or at the meeting of the *Prant* Officers. In order to check delays and tossing of cases, a sheet is to be attached to each 'await' case to show its movement from the date of its commencement.

With a view to avoiding frequent back references, cases of similar type and of frequent occurrence have been studied and forms have been prescribed for obtaining information from subordinate offices. The field officers have been supplied with these forms so that they can supply all the information required for the issue of final orders. In order that the clerk may not miss any important point, the forms in which the noting should be done have also been laid down.

Touring officers have been requested to take with them delayed and complicated cases at the time of their visit to a *taluka* or a village. Cases which are especially delayed and complicated are expected to be disposed of by them either during these visits or at the monthly staff conferences.

### (5) Inadequate Watch over Usually Delayed Cases

In order to avoid delays in important and usually delayed cases, watch registers have been maintained. A consolidated

register of appeals is thus maintained by the stenographer to the Collector. In land acquisition matters which are usually delayed, a title sheet has been devised which shows, at a glance, time and action taken for the disposal at each stage. A watch register for the disposal of legislative questions is maintained with the Aval Karkun, Organization & Methods Unit, for the whole office, who has to bring to the notice of the Collector the position of arrears every Monday.

An Aval Karkun of each unit has to maintain a consolidated abstract of periodical returns and keep a watch over the punctual submission of such periodical returns.

### Frequent Loss of Papers

Before the reorganization, cases of loss of papers and correspondence used to occur frequently and many cases have had to be started de novo. Detailed instructions have now been laid down for the distribution of tapal (incoming mail). The new procedure ensures that the important post is seen by a gazetted officer who opens it and sends it for perusal of Collector and the Personal Assistant to the Collector. Tapal is then collected by the Aval Karkun, Organization & Methods Unit, or in his absence by some other Aval Karkun who sorts it out unit-wise and makes a note in a special register of the number of references sent to each unit. Tapal in the unit is received by a clerk who writes the worksheets for all the clerks so that the inward registration is now done independently of the noting clerks.

To obviate the difficulty in fixing responsibility for the loss of important cases, it has been laid down that important documents and communications such as confidential sheets, service books, pension papers, surety bonds, licences, etc. should be invariably sent by the registered post acknowledgement due.

### Defective Filing and Recording

The common defects in this sphere were:

- (1) Improper filing of papers which made a subsequent search difficult;
- (2) Dumping of live and unsorted cases in the record room after every clearance drive; and
- (3) Irregular despatch of closed cases for filing.

A form of a title sheet has been devised, showing the particulars of classification according to the A B C D list, subject-matter,

closing number, date, etc. It is to be affixed with each filed case when it is sent to the record. The record clerk is forbidden to accept any files to which such slips are not attached. A ferista (list) of all the documents sent for filing has also to be prepared by the clerk concerned. The record clerk cannot accept any papers direct from a clerk. Before he accepts any papers for filing, he has to make certain that the Mamlatdar/Branch Officer or the Aval Karkun has certified, for each reference, that it should be finally closed. He has also to see that all the papers due for filing are received before the 5th of each month.

'D' papers which are due for destruction after a period of one year have to be shown to the head of the branch/office who goes through them carefully and gets them destroyed in his presence.

### V

The results of the reorganization of the Nasik Collectorate in terms of work efficiency have been more than satisfactory. Not only has the speed of disposal increased but the quality of work has also improved. The officers are getting into the habit of disposing cases in the chronological order, as the arrears pending over a fortnight have been reduced from 728 in August, 1954, to 84 in July, 1956. It has come to notice that most of these cases are delayed over a fortnight only when some of the clerks are on casual leave or go out for inspections. As against the total number of 1849 references pending in August, 1954, there were only 900 in July, 1956, a reduction by more than one half. Further, in the month of March, 1956, the 'awaits' were reduced to 1/3rd. The rise in the 'awaits' thereafter was due to the fact that a number of clerks in the Collector's Office went on leave for taking University examinations and were replaced by new hands.

The general satisfactory position in disposal is not in any way due to a reduction in the receipts and the workload in the Collector's Office. The total number of receipts during the revenue years 1954-55 and 1955-56 were 1,46,784 and 96,811 respectively as against 1,12,842 in the year 1953-54. Similarly, the total number of 'await' cases disposed of during the revenue years 1954-55 and 1955-56 were 7,462, and 6,253 respectively as compared with 6,562 cases in 1953-54. The percentages of total number of arrears pending over two months to the total number of 'awaits' came to 15.9 in 1954-55 and 15.7 in 1955-56. These percentages furnish, to some extent, a quantitative measure for efficiency audit.

Welletaile

### THE DEVELOPMENT OF STATE TUBEWELLS

S. T. Raja

Monsoon. The provision of a regular and dependable supply of water needed for growing crops has therefore been a pressing problem for all governments throughout the nation's history. Multipurpose river valley projects and other large and small schemes of reservoir and canal irrigation have accordingly found a prominent place in the First and Second Five Year Plans. Another method which has been brought into play consists of the development of a network of tubewells, operated by electricity.

The implementation of the tubewell programmes can legitimately be considered one of the important administrative achievements of the First Five Year Plan. The Plan provided for the construction of 4,000 tubewells up to 31st March 1956 but the Plan targets were exceeded by 40%, the number of tubewells actually constructed being 5,600.

Tubewell construction first started in India sometime in 1931 mostly with the help of manual labour and hand drilling equipment which took nearly 2-3 months to complete one well. Between 1931 and 1950 about 2,000 such wells were constructed mostly in U.P. Tubewell construction in other States was not taken up perhaps because adequate hydrological data regarding groundwater resources was not available at that time.

'Why State-owned tubewells?' one might ask. The simple answer is that the cost of tubewell including electric supply is as much as Rs. 50,000 to 60,000 which is generally beyond the capacity of an individual or a small group of farmers to find. Between 1948 and 1950, the food situation became very serious and the Government of India decided to take emergency steps, including minor irrigation, in order to increase food production within the shortest possible period. This was the genesis of the tubewell programmes of the First Five Year Plan which were considered the largest ever undertaken by any country in the world. Even a country like the United States has not launched a programme of such a magnitude in respect of State-owned tubewells. It might be interesting, therefore, to study how a country like India with the limitation of men, machinery and experience, planned and executed the tubewell programmes, what were the difficulties encountered

in its implementation and what steps were taken to overcome these difficulties?

### H

The construction of tubewells involves three distinct phases, namely:

- (1) Construction of a tubewell up to the installation of the turbine pumpset including the drilling and development of the well:
- (2) Construction of civil works such as pump-house, cement-lined channels and operators' quarters; and
- (3) Laying down of transmission lines including the installation of the transformer and the switch gear.

Each of these phases has to be executed by a different agency and still synchronized in such a way that one follows the other in rapid succession. The first and the third phases also involve procurement of materials such as pipes, pumps, motors, insulators, starting switch gears, copper conductors, etc. A good deal of this material had to be ordered from foreign countries and had to reach the tubewell sites at the appropriate time.

The problems required to be tackled for the implementation of the project were, therefore, as under:—

- (a) Selection of suitable areas for construction of tubewells after ensuring that they were not likely to come under flow irrigation within the next 10 or 15 years. This was made by joint teams of Government of India and State experts visiting the proposed tubewell region, studying groundwater conditions and recommending suitable areas.
- (b) Assessment of the drilling equipment and personnel available in the country in order to determine what part of the project would have to be executed through foreign firms. The number of tubewells to be constructed through contractors and their technical specifications were worked out by Central and State experts.
- (c) Drawing up of a type of contract which would be acceptable to the foreign firms and at the same time fulfil certain principles and policies of the Government of India in such matters. A fixed price contract for a standard tubewell with provision for variations was drawn up by the Ministry of Food and Agriculture in consultation with all concerned Departments and States.

- (d) Preparation of a list of materials together with proper specifications required for construction and energization of tubewells. This involved over 50 items of different types including large thermal units and diesel generating sets.
- (e) Drawing up of a time-schedule for the various phases of the tubewell programme with proper synchronization of the contractor's work with the programme of civil and electrical works to be executed by the State Departments of Public Works and Electricity.
- (f) A continuous and close co-ordination had to be maintained with the Ministry of Finance, the Ministry of Commerce and Industries, the Ministry of Works, Housing and Supply and the Technical Co-operation Mission of the U.S. Government. The State Departments of Irrigation, Public Works and Electricity and the various contractors were also continuously in the picture as the field agencies implementing the project. The necessary co-ordination was achieved mostly by personal contacts, inter-departmental meetings, and periodical conferences with the State Governments both in Delhi and in the State capitals.
- (g) Clearance of bottlenecks arising from time to time regarding payments, shipping, rail transport, interpretation of the contracts, etc.

Although the total cost of the tubewell projects in the First Five Year Plan was more than thirty crores of rupees, they were classified as "minor irrigation schemes", the implementation of which would normally be left to the State Governments subject to the over-all 'grow more food' policies and programme and of the Government of India in the Ministry of Food and Agriculture. In view, however, of the limited experience and technical services available with the State Governments in the field and also due to the participation by other agencies like the Technical Co-operation Mission of the U.S. Government, the Central Ministry of Agriculture played an unusually active role in the implementation of the projects. Tenders for the construction of tubewells by private agencies were actually prepared in the Ministry of Food and Agriculture in consultation with the Chief Engineers of the participating States and invitations for bids were also issued from that Ministry. Similarly, complete lists and specifications for materials required by the State Governments for construction and energization of tubewells were prepared and tender notices for their procurement

also issued from the Government of India. When the offers were received both for construction and supply of materials, they were examined by the technical experts of the Central Ministry, and where necessary, the Chief Engineers of the State Governments were also consulted. Recommendations for placing contracts and orders were then made to the State Governments by the Ministry of Food and Agriculture, with the concurrence, of course, of their associated Finance, and contracts signed and orders placed by the State Governments on this basis.

The procedure of joint purchases through a common agency providing the necessary technical guidance and prompt handling, was very much appreciated by the State Governments. Not only did the procedure ensure all the benefits of collective bargaining to the participating States but it also led to quicker decisions and considerable economies in purchase-costs and periods of delivery. It became possible even to reduce further the lowest acceptable quotations in many cases and the economies thus secured were worked out at an estimated figure of nearly rupees one crore in terms of prices alone, to say the least of the saving in time.

### Ш

Sir Basil Embry, in his talk on the B.B.C. on the subject of "The Man of Action in Modern Society" has quoted Lord Milner as having said that "the way to get things done is to choose a man and back him". This is precisely what was done by the Ministry of Food and Agriculture as soon as it embarked on the tubewell programme. In November 1953, a full-time Administrator for tubewell projects was appointed with the necessary powers, technical advisers and Secretariat staff. He was charged with the responsibility of having all the projects executed in time and of taking whatever steps he considered necessary for this purpose, subject, of course, to Government rules and regulations. He functioned both as an executive and a Secretariat Officer and maintained close personal and official contacts with the various participating agencies. He was not only required to push ahead with the projects at the maximum speed but to see that no bottlenecks were allowed to develop at any stage all along the line, and, for this purpose. to keep a close watch on the progress of the various phases of tubewell construction.

At the level of the State Government, the Irrigation Departments looked after the construction of tubewells up to the installation of pumpset and motor and construction of pump-houses and channels.

The Electricity Department undertook the laying down of transmission lines and the connecting of the tubewells with electric power. Where electric energy was not readily available, the Departments also undertook the installation of thermal and diesel generating sets provided under the project. The proper synchronization of the activities of the two Departments was achieved by setting up committees of their Executive Engineers in charge of field operations.

The co-ordination at the higher level was done by the Chief Engineers concerned and the Tubewell Projects Administrator. The main participants in the programme were:—

- (a) The foreign firms of tubewell contractors;
- (b) The State Chief Engineers and Secretaries in charge of Irrigation and Electricity Departments;
- (c) The technical and administrative experts of the Technical Co-operation Mission of the U.S. Government; and
- (d) The representatives of the different Ministries of the Government of India.

The Tubewell Projects Administrator served as the common link between the participating agencies. Their working together in close collaboration and their common participation in a nation building programme of this nature developed bonds of mutual appreciation and confidence in each other which transcended all narrow considerations of Central and State jurisdiction or official and unofficial status of the participants.

### IV

Another important aspect of the tubewell programmes was the training of personnel in the operation and maintenance of the latest type of mechanized rotary rigs and other equipment used in the project. The State Governments concerned selected 6 trainees for each rig at the rate of 2 trainees per shift of eight hours from among engineering diploma holders, graduates or matriculates with mechanical bent of mind. The contracts with the foreign firms stipulated an intensive programme of approved training for six months to each batch and the payment of a stipend by the contractors during the training period. A certificate of merit was given to each trainee on the basis of his performance and many of them were absorbed either by the contractors or by the State Governments in the tubewell programmes. This training programme has yielded very good results. Nearly two to three hundred trained people are now available as Assistant drillers;

drillers, drilling supervisors, etc. Many of them are also being absorbed by the Atomic Energy Department, the Geological Survey of India, the Oil and Natural Gas Commission of the Ministry of Natural Resources and Scientific Research and the Ministry of Production, in connection with the various projects requiring drilling operations. Even for executing the tubewell programmes of the Second Five Year Plan it would not be necessary to rely on foreign technicians for these operations. The tubewell projects of the First Plan have given considerable fillip to the indigenous industries for the manufacture of turbine pumps, motors, transformers, insulators, switch gears, etc. Besides offering avenues of larger employment to the people, this development has enabled the Government to rely for the Second Plan almost entirely on the indigenous drilling equipment, materials, and technical personnel. The only two items of imports now required are casing pipes and insulators. With the plans already under implementation, it should be possible within the next two or three years even to get these items in adequate quantities within the country.

### V

A tubewell with a discharge of about 35,000 gallons per hour, i.e. about a million gallons per day, irrigates about 300 to 400 acres of land and costs about Rs, 50,000 to 60,000. It gives the same service as nearly 80 surface wells but at a smaller capital cost. Besides, the surface wells usually dry up quickly in conditions of drought or scarcity when the water is most needed. The tubewell provides insurance against this hazard. Another important advantage of the tubewell projects has been the tremendous fillip that they have given to the rural electrification programmes. With the countryside dotted with thousands of miles of transmission lines linking the various tubewells, it has been possible to electrify a large number of villages in the U.P., Punjab and Bihar. Power which is widely distributed for running the tubewell pump is also incidentally available for promoting the growth of rural small industry. This provides a solution to the problems of underemployment and drift to the city. The area likely to come under tubewell irrigation under the First Five Year Plan was estimated at 2 million acres. Similarly, out of the 9 million acres proposed to be brought under minor irrigation under the Second Plan, nearly 1 million acres are expected to be irrigated by 3,000 tubewells. The additional food production, even on a conservative basis of 1/5th of a ton per acre, would come to about 340,000 tons under the First Plan and nearly 200,000 tons under the Second Plan.

The following table gives the number of tubewells constructed in the different States and the money spent on them under the First Five Year Plan.

| Name                   | e of State |                | Tubewells planned | Tubewells constructed | Loans<br>advanced by<br>Government<br>of India<br>(in Lakhs<br>of Rs.) | Additional<br>area brought<br>under<br>irrigation (in<br>thousands<br>of acres) | Additional<br>Production<br>(in tons) |
|------------------------|------------|----------------|-------------------|-----------------------|--|---|---------------------------------------|
| Uttar Pradesh<br>Bihar |            | 2,390<br>1,026 | 3,000<br>685      | 1,533<br>374          | 1,200<br>274   | 1,80,000<br>41,100  |                                       |
| Punjab                 |            |                | 281               | 932                   | [429]<br>125]  | 373   | 55,920                                |
| Pepsu<br>Bombay        |            | ***            | nil<br>nil        | 597<br>400            | 378<br>210   | 239<br>160  | 35,820<br>24,000                      |
|                        | Total      | •••            | 3,697             | 5,614                 | 3,049  | 2,246   | 3,36,840                              |

The cost of tubewell irrigation is naturally higher than that of flow irrigation because water has to be lifted through large turbine pumps with the help of electric power. It is sometimes argued that the cost of irrigation from tubewells is so high that the farmers find it difficult to utilize them fully. There is truth in this statement only to the extent that in areas where canal irrigation as well as tubewell irrigation are available, the former costs less. Tubewell irrigation involves, besides the capital cost, the recurring cost of pumping water with electricity and the cost of an operator. Nearly ten units of power are required to pump 35,000 gallons per hour. Even if the cost of power is as low as 1.5 annas per unit, the other standing charges, including depreciation, work out to another two annas per unit on the basis of a total working of about 5,000 hours per year. If, therefore, a total charge of three annas and six pies per hour is levied by Government, it would cost the farmer about Rs. 2-3 for 35,000 gallons of water, i.e. one rupee for 15,000 gallons on volumetric basis. When compared to the present rates for canal irrigation, this rate is substantially higher as will be clear from the following comparative statement:

| State   |       | Canal v                   | vat <b>e</b> r rate į     | per acre                     | Tubewell water rate per acre |                              |                              |
|---|-------|---------------------------|---------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|   |       | Rabi                      | Kharif                    | Sugarcane                    | Rabi                         | Kharif                       | Sugarcane                    |
|   |       | Rs. a.                    | Rs. a.                    | Rs. a.                       | Rs. a.                       | Rs. a.                       | Rs. a.                       |
| Uttar Pradesh<br>Bihar (South)<br>(North)<br>Punjab | • • • | 12 0<br>5 0<br>4 0<br>6 6 | 8 0<br>10 0<br>8 0<br>6 0 | 32 0<br>18 0<br>10 0<br>16 8 | 12 0<br>8 0<br>8 0<br>15 0   | 16 0<br>15 0<br>15 0<br>20 0 | 33 0<br>33 0<br>40 0<br>41 8 |

The above disparity between the water rates charged for flow irrigation and tubewell irrigation does lead to a certain amount of discontent. A farmer in one village or part of the village drawing water from a tubewell pays almost twice as much to the Government than his neighbour in the same or adjoining village using canal water. neither case does the cultivator contribute any capital expenditure to the cost of the project although the instrinsic worth of his land goes up substantially as a result of perennial irrigation provided. It has been suggested that the solution may be found, first of all, in charging a betterment levy from the farmer in suitable instalments which he would be in a better position to pay as a result of increased production. The balance of the cost and recurring charges could be recovered by charging. a uniform water rate, calculated after pooling the cost of providing irrigation by both methods. Although the U.P. Government have not vet levied a betterment cess, they have tried to solve the problem more or less on the basis of pooling. They have raised the rates of canal irrigation and given substantial concessions in the rates of tubewell irrigation.

A similar recommendation has been made to the other State Governments and once this policy is accepted by them, there would be no difficulty in fully utilizing and operating the tubewells for the benefit of hundreds of thousands of agriculturists who have no hope of getting canal water to their lands within the foreseeable future. In fact, the obvious superiority of a tubewell over other sources of minor irrigation and considerable publicity and propaganda done by the Government of India and the State Governments have already demonstrated the tubewells as a popular and economic source of 'minor irrigation'. In order to ensure proper and timely distribution of water from the tubewells, it would be desirable to associate small advisory committees of the participating agriculturists with the operation and administration of a group of tubewells in a given area. This could more easily be done in the tubewells situated in the National Extension Service Blocks and Community Projects which have more than half the number of tubewells already constructed undrer the First Five Year Plan.

-MAX WEBER
(in 'Bureaucracy'-'Essays in Sociology')

<sup>&</sup>quot;Bureaucracy is the means of carrying 'community action' over into rationally ordered 'societal action.' As an instrument for 'societalizing' relations of power, bureaucracy has been and is a power instrument of the first order."

### **EDITORIAL NOTES**

This first issue of Vol. III of the *Journal* comes out early in the third month of the first quarter of the year rather than after its close, as was the practice in the past. The future issues of the *Journal* will be available to our readers in the first month of each quarter.

Simultaneously with this issue, we release a monthly *Newsletter* as a separate publication. At present there is no regular means, for each State in India, to be fully and quickly informed of all that is being done in the field of public administration in the other States and at the Centre. The *Newsletter* will, we earnestly hope, fill this gap. The news section in the *Journal* will, nevertheless, continue in its present form.

In addition to the already existing features, this issue contains a list of selected Government publications recently added to the Institute's Library.

At a time when the whole country is in the midst of the second general elections, we are happy to include in the present issue a contribution on "Election Administration in the United States" by Dr. Marguerite J. Fisher, of the Maxwell School of Citizenship and Public Affairs, Syracuse, who is at present the Visiting Professor of Political Science at the University of Delhi.

---Editor

### NEWS FROM INDIA AND ABROAD

### **INDIA**

### Elimination of Unnecessary and Repetitive Noting

With a view to eliminating unnecessary and repetitive noting by Assistants and promoting the speedy disposal of work, the Central O & M Division has formulated a 'Pilot Scheme' for the reorganisation of the Secretariat 'sections'. The Scheme has been in operation in most of the Central Ministries on an experimental basis for the last five months and has so far yielded satisfactory and useful results.

In place of a Section Officer assisted by four to six 'dealing assistants' as in the traditional section, the 'pilot' section has three men of the level of the Section Officer, who take up all 'first' action on receipts. For doing purely routine work, such as docketing, opening new files, collecting previous papers, etc., they are assisted by 3 Upper and 3 Lower Division Clerks (including a steno-typist). Cases which these Section Officers cannot dispose of themselves are sent directly to the appropriate higher authority—Under Secretary, Deputy Secretary, or occasionally even to Joint Secretary or Secretary—and with a minimum of noting. This helps to eliminate the unnecessary intermediate stages as well as the repetitive noting.

### Quality Control Drive in Central Ministries

On the initiative of the Central O&M Division, a quality control week was observed in almost all the Ministries from 3rd to 8th December, 1956. The object of the drive was to create, on the widest possible scale, a consciousness of the extent to which work of poor quality was, at present, going unnoticed and therefore unremedied. While the existence of the defects brought to light was already well-known, the drive proved of immense value in (i) creating a general awareness, among officers of all ranks, of the need for maintaining high standards of work, and promoting a positive and conscious effort on their part to shed off habits of bad work, and (ii) giving the higher officers an occasion to come intocloser contact with the good workers and their good work, and to guide, train and reform those who needed such personal attention.

### **Industrial Management Pool Scheme**

Considering that the management of public enterprises calls for special talent and aptitudes, the Government of India has decided to set up an Industrial Management Pool. For the present, the Ministries of Production, Iron & Steel, Transport, Communications and Commerce & Consumer Industries will participate in the Pool. The Pool would be drawn upon for manning the senior (i.e. the top and middle level) managerial posts in the public enterprises whether run directly by the Government or by Corporations or companies in which Government has a controlling interest. It will cover all posts of non-technical nature relating to general management,

finance and accounts, sales, purchase, stores, transportation, personnel management and welfare and town administration. The Ministry of Home Affairs will be the Controlling Authority of the Pool.

The Pool will be organised in seven grades on the scales of pay as shown below:

Grade I ... Rs. 2,750 (fixed)
Grade II ... Rs. 2,500 (fixed)
Grade III ... Rs. 2,000-125-2,250
Grade IV ... Rs. 1,600-100-2,000
Grade V ... Rs. 1,300-60-1,600
Grade VI ... Rs. 1,000-50-1,400
Grade VII ... Rs. 600-40-1,000

All grades of the service will be Central Services Class I. In addition, junior officers may be appointed at suitable stages in the scale of Rs. 350-25-500-30-620. Earning an increment even within a grade in the time scale will not be regarded as automatic. There will have to be, on the other hand, a positive decision that an officer is fit to draw an increment due. This decision will be taken by the Board of Directors of the Companies or Corporations under whom the officer is employed but will be subject to confirmation by the Controlling Authority on the advice of the Central Advisory Board. There will be no order of seniority at all within a grade. All officers of a grade will thus be eligible for promotion on merit alone by selection to the next higher grade.

The authorised permanent strength of the Pool at the initial constitution shall be 200. This number will be distributed among the different grades. The Pool will be constituted initially by recruitment to any of the grades by selection from among persons who (a) hold a Degree of a recognised Indian university or equivalent thereto; (b) are between the ages of 27 and 45 years; and (c) preferably possess industrial or managerial experience for a period of five years. Selections for the Pool will be made on the recommendation of a Special Recruitment Board which would consist of the Chairman or a member of the U.P.S.C. (Chairman), a non-official, Managing Directors and General Managers of State undertakings, and representatives of participating Ministries. The recommendations of the Board will be placed before the U.P.S.C. before appointments are made by Government. The recruitment would not necessarily be restricted to candidates who apply for absorption in the Pool in response to advertisements. The Recruitment Board may consider persons who may not have applied but whose names are suggested to the Board by the Ministries.

### Enquiry into Customs Procedures and Organization

Realising the need for saving the wastage of the time of, and for reducing the inconvenience caused to, the public due to the lengthy and complicated procedure for the clearance of goods and passengers' baggage at the Custom Houses, the Government of India has appointed a Committee to conduct a comprehensive enquiry into Customs procedures and organization and to make recommendations for their improvement. The Committee will consist of Shri F.C. Badhwar, (Retired Chairman, Railway Board), Managing Director, Messrs Bird & Co., New Delhi, as Chairman; and

Shri S.M. Shah, President, All India Importers' Association, Bombay, Shri E.J. Benjamin, Director, Messrs Roberts, McLean & Co., Calcutta, and Shri W. Saldanha, Officer on Special Duty, Central Board of Revenue, New Delhi, as members. Shri V.S. Ramaswamy, Assistant Collector of Customs, will be Secretary of the Committee.

The enquiry will inter alia cover clearance procedures, the administration of import, export and exchange control regulations, methods of classification and valuation of goods, procedure for grant of custom refunds, and liaison between Customs, Port Trust and Trade Control authorities.

### National Projects Construction Corporation

With the object of deploying the machinery and equipment and skilled personnel rendered surplus on the completion of the river valley projects in hand and for assisting the State Governments which have no proper organization for the execution of large river valley schemes, the Central Government has established the National Projects Construction Corporation (Private) Limited. The Corporation will have a nominal capital of Rs. 2 lakhs to be subscribed by the Centre and the States. The Governments of Assam, Bihar, Rajasthan, Jammu & Kashmir, Kerala and Orissa have decided to participate in the scheme. The new arrangements will combine the advantages of departmental management with the flexibility associated with the execution of works by private construction agencies, and avoid the shortcomings of both.

### Elimination of Delays in the Secretariat and other Offices

The Government of Punjab has set up two Flying Squads to check delays in various offices at the State headquarters and other places. One Squad is meant for the Secretariat offices, and the second for other offices. The Squads organise surprise visits, and, besides detecting delays in files, check whether the instructions issued by the Government from time to time regarding elimination of delays are being observed and whether attendance in offices is punctual. The explanation of the officials responsible for the delays is obtained by the Deputy Superintendents in charge of the Squads at the spot and examined by the Chief Secretary who is in over-all charge of this work. The punishment for all the delinquent officials is proposed by the Chief Secretary and inflicted on them by the competent authority.

Both the Squads have been working since October 1956. A large number of offices both in and outside the Secretariat have already been inspected and appropriate warnings or censure issued to officials guilty of delays. The surprise inspections by the Flying Squads have proved very effective.

A post of Deputy Secretary to Government, Punjab, General Adminstration and Reorganisation, has been created. This officer assists the Chief Secretary in the work relating to the Flying Squads.

### **Expeditious Issue of Financial Sanctions**

The Government of Uttar Pradesh has introduced a reformed procedure for expeditious issue of sanctions concerning schemes approved by the

Legislature in the annual budget. The old practice was that the proposals for the Schedule of New Demands were taken up by the administrative departments collectively, so to say, some time between September and November each year. As a result, due to shortage of time, it was not generally possible to work out the proposals in detail in the originating department.

The new procedure provides that proposals for the Schedule of New Demands, should not be deferred till September-November, but should be taken up in a regular flow all the year round, up to the last date fixed (either generally or in a particular year, as the case may be), for their acceptance by the Finance Department. This will allow sufficient time to all concerned for the proper formulation of a proposal and its scrutiny before its inclusion in the Schedules. Heads of Departments, and departments of the Secretariat, as the case may be, are required to initiate the proposals for a subsequent financial year soon after the issue of sanctions on schemes provided for in a current year's budget, that is to say, near about the month of May each year. The Finance Department will, on receipt of each such proposal, examine it in detail so that the necessity for any further examination after the budget has been passed may not arise.

In order to ensure that delay does not occur in the Finance Department by reason of all departments sending their drafts to that department for concurrence simultaneously within a small compass of time, formal sanctioning orders are to be drafted in the administrative departments after the 'Grant' concerned has been voted by the Legislature and the drafts sent to the Finance Department within a fortnight from the passing of the Appropriation Act for concurrence. In the Finance Department, these drafts shall be given priority attention and returned to the administrative department in about a week's time. It would thus now be possible for sanctions to issue in all cases within a month from the passing of the Appropriation Act.

### **FOREIGN**

### 1. CANADA

### Increased Benefits for Railway Personnel

The joint union-management committee, formed after the signing of the master agreement between the Railways and 15 non-operating unions last spring, has announced a nationwide health and welfare plan effective from January 1, 1957. It affects some 140,000 non-operating railway employees, and their families estimated at about 500,000. The plan provides for (i) deduction of \$4.25 per month from the employee's pay with equal contribution from the management; (ii) group life insurance in the amount of \$500 and weekly compensation for loss of income through sickness or non-occupational accident up to a maximum of \$40 a week for employees only, and (iii) hospital and surgical benefits to employees and their dependents. Canadian Pacific employees in British Columbia will continue to enjoy surgical and comprehensive medical benefits provided by the Canadian Pacific Employees Medical Association, and premiums covering these benefits will be paid to the Association.

### 2. United States

### Fellowship Grants for Army Career Civilians

The U.S. Secretary of the Army, Mr. Wilbur M. Brucker, announced recently that, under the Research and Study Fellowship Programme, between 25 and 40 outstanding army career civilians in science, engineering, and administration will be selected for annual fellowship grants. Those selected will be relieved of their regular duties for six months to a year. They will devote this period to special research or advanced study "of particular concern to the army and the national defence." The applicants for grants will be even allowed to propose problems for study based on experience in their own particular jobs. The research programme is "designed to place emphasis upon the recognition, development and increased use of the best creative talents available among Department of the Army civilians."

### Training Programme of the Post Office Department

The U.S. Post Office Department has launched an administrative training programme at the executive level. Seven persons have been selected from the ranks of postal employees and the Civil Service Commissions' Federal Entrance Examination registers for specialised training. After training, they will be assigned in the fields of accounting, general administration, personnel, real estate, supply and transportation.

### Increase in Employer's Contribution to Retirement Fund

The Washington State Employees Retirement Board has authorised an increase from 5 to 7 per cent. in the employer's contribution to the retirement fund to be effective from July, 1957. The employee contribution will, however, remain at 5 per cent. Fifty-six per cent. of the increase will be paid by cities, counties and other governmental sub-divisions, with the remainder contributed by the State.

### 3. U.S.S.R.

### New Law on State Pensions

The State Pensions Law which came into force on October 1, 1956, gives the right to state pensions to (1) factory and office workers, (2) servicemen, (3) students of higher and secondary specialised educational establishments, schools and courses for the training of cadres, and (4) other citizens if they became disabled while discharging their duties to the state or society. It also gives the right to pensions to members of the families of the above enumerated persons in case they lose their bread winner. The right to pensions is enjoyed by factory and office workers: men at the age of sixty with the length of service not less than 25 years; women at the age of 55 with the length of service not less than 20 years. Old age pensions are awarded for life regardless of the pensioner's ability to work.

#### INSTITUTE NEWS

## I. Third Annual General Body Meeting

The Third Annual General Body Meeting will be held at the Institute's premises at 4 p.m. on Saturday, the 6th April, 1957. The Institute's President, Shri Jawaharlal Nehru, will be in the chair.

### II. Research Projects

Three new research projects have been taken up: (i) 'Grants-in-aid', (ii) 'Election Administration', and (iii) 'Administrative Tribunals'. Work has also been started for the preparation of an 'Administrative Directory of India' which will give, for the year 1957, information about the top-most personnel of Union and State Governments, selected statistics of administrative interest and a chronology of important developments in the field of Public Administration. The scope of the study already undertaken on the functions and working of the New Delhi Municipal Committee has been revised and it is now proposed to bring about a monograph on "How Delhi is Governed."

### III. Public Administration Study Circle

The research and technical staff of the Institute have formed themselves into a Public Administration Study Circle. The first meeting of the study circle was held on January 18, 1957. Mr. Bertram Benedict of Editorial Research Reports, Washington, gave a talk on "Some Aspects of Political Research for Newspapers".

#### IV. Lectures

Miss Margaret Ball. Professor of Politics, Wellesley College, U.S.A., gave a talk on "Problems of Policy Formulation in the United States" on the 12th February, 1957, at the Institute's premises. Dr. B.V. Keskar, Union Minister for Information and Broadcasting, presided.

#### V. Visits

The following visited the Institute during January-February, 1957:

(i) Mr. Gunnar Myrdal. Executive Secretary, Economic Commission for Europe, Geneva.

(ii) Mrs. Alva Myrdal, Swedish Ambassador in India.

(iii) Mr. Clarence S. Gullick, Deputy Chief of the Staff, Asia Division of the International Co-operation Administration, Washington D.C.

# VI. Library and Information Service

The Library continues to augment its resources. About six hundred

more volumes have been added. Documentation of articles, in addition to news items, has been started.

## VII. Institute's Building Plans

The tenth meeting of the Building Advisory Committee of the Institute was held on the 31st January, 1957. The building plans have been practically finalised and tenders are being called for. The construction work is expected to be started early in April.

### VIII. Staff Service Rules Committee

A meeting of the Committee was held on the 13th February, 1957, to consider the final draft Staff Rules of the Institute. The Committee is expected to meet again in the first week of March.

### IX. School and Fellowships Committee

The School and Fellowships Committee, held two meetings; the first on the 14th January and the second on the 14th February, 1957. The Committee consists of Prof. D.G. Karve, Prof. M.V. Mathur, Shri L.P. Singh, Shri S.B. Bapat and the Director of the Institute.

## X. Seminar on 'Recruitment and Training for Public Services'

A Seminar on 'Recruitment and Training for Public Services' will be held under the auspices of the Institute in New Delhi on the 3rd March, 1957. The object of the Seminaris to promote a high-level discussion on these subjects by the representatives of the Union and State Governments, Public Service Commissions and Universities.

#### DIGEST OF REPORTS

UTTAR PRADESH. REPORT ON REORGANIZATION OF COLLECTORATES: By Commissioner for Reorganization. 1956, ii, 128p.

In October 1955, the Government of U.P. appointed Shri K.K. Dass, I.C.S., as the Commissioner for Reorganisation and entrusted him with the work of scrutinising and initiating proposals for the rationalisation and reorganisation of Collectorates, Offices of Heads of Departments and the various Branches of the Secretariat. In his Report on Reorganisation of Collectorates, Shri Dass has examined in detail the working of the various departments and sections of the Collector's Office. Some of the major recommendations made in the report, which may be of interest to Collectorates in other States, are summarised below:—

## I. Basic Principles

- (1) The Collector is subject to sustained and intense mental pressure, which is harmful both to him and to the Government. Steps must be taken to give him relief, by reducing his work and ensuring that it does not increase unnecessarily. Unnecessary increase can only be stopped if all orders to the Collector (except general orders under a statute, specially those from the Revenue and Home Departments) are routed through one person or through a small and distinct organization, such as the Chief Secretary's Branch. For further co-ordination it is necessary that these orders should pass through the Commissioners as well. Orders prescribing new forms, registers, returns and other procedural matters should also have the concurrence of the Organization and Methods Division.
- (2) The Collectors should actively be encouraged to relax frequently. It would increase efficiency if they were compelled to take leave for a month after a year's work. The tourist section of the Planning Department may be asked to organize holiday treks for officers. Riding is an excellent recreation. One horse and a groom should be placed at the disposal of the Collector in each divisional headquarters, and of the Commissioner if he desires it.
- during a large conference will be obeyed, nor will one phrased with what a large number of District Officers consider "discourtesy" on the part of the Secretariat. Government's orders should be conveyed down rungs of a well-defined ladder. Each rung must consist of a small group of persons. Also, when each group meets, free discussion and even criticism of the order before it emerges in its final shape should be encouraged. To put this concretely, Commissioners should be called to a meeting at least once in two months at the headquarters of Government (or occasionally elsewhere), at which the Chief Minister, one member of the Board of Revenue, Chief Secretary and the Commissioners alone should be present. Important proposals should be put before the meeting and finalized after discussion.

The Commissioner should then call a conference of the District Magistrates (or District Magistrates and Superintendents of Police) alone. The District Magistrate should finally pass on instructions in a conference of their Sub-Divisional Officers only. This system will enable officers to "answer back", talk about their difficulties and resentments, if any, and will give them a real feeling that their views are reaching the top and influencing decisions there. At these conferences criticisms and complaints against the administration, particularly by elected representatives of the people, should also be gone into.

- (4) Delegation of power is another essential of good administration. It saves the time of the delegator and his subordinate. It gives the latter the feeling that he is trusted and increases his initiative. It cuts down supervisory staff. The public get decisions much more quickly. The final effect is that it actually increases the control of the delegator. The tendency for many years, decades perhaps, seems to have been that if a power was misused once, or even if it was likely to be misused, then it was either withdrawn or hampering checks were imposed. The remedy in such cases should be to punish the delinquent and not to withdraw power from everyone. A power should be withdrawn or checked only if it is clearly shown that it has been constantly misused over a period of time. The subject of delegation should form a permanent item on the agenda of the Commissioners' conference.
- (5) The fog of mistrust which pervades Collectorates must be dissipated at once. Each clerk should be made to develop a sense of responsibility and initiative for his work. Individual clerks should be frequently called up, while section heads should be consulted almost daily. This should not be allowed to degenerate into routine "peshi". The old system of "peshi" where clerks wait for hours to get an officer's signature on unimportant papers should be stopped at once.
- (6) If an organisation runs smoothly, the number of hours beyond a certain minimum its head spends in the office or over desk work are not very important. It is the universal experience that a short daily attendance (for about two hours) at the Collectorate is essential for efficiency. Only so can the Collector maintain personal contact with his clerks and enlarge his public contacts.

# II. The Organization of the Collector's Office

- (1) The receipt and despatch registers kept by each clerk should be discontinued. Clerks should be trusted not to lose papers, and a general watch kept by senior clerks. In any case, fixing of responsibility is not so important as not losing papers. Papers are less likely to be lost if clerks do not spend time filling in registers. Index and File registers should be maintained in the English Record Room only and Despatch registers by the despatcher. Index and File registers and Receipt and Despatch registers of all kinds maintained elsewhere throughout the Collectorate should be abolished.
- (2) All dak should be received (but not marked) by the District Magistrate or in his absence by the next senior officer and opened in his presence by an orderly. The D.M. should look through it rapidly, retaining half-a-dozen or so papers that require his personal attention and send

the rest to the English Record Keeper. Courts should directly receive local files and summons meant for them from superior courts. Similarly, Attached Officers such as the Town Rationing Officer, District Supply Officer, District Planning Officer, etc., should directly receive letters meant for them. The E.R.K. should mark the papers to the clerk concerned, and send them to the O.S. who should look through them and note only on those papers in which he feels his personal guidance is necessary. These may be about a dozen a day. The four hours spent on "marking" will thus be reduced to half an hour on "noting".

- (3) Officials like the Excise Clerk, the Stamps Clerk, the Zamindari Abolition Clerk, etc., should continue to submit their papers direct; but senior clerks would be held generally responsible for the proper functioning of their sections. Section heads should be relieved of any fixed quota of original work. Junior clerks should be constantly guided by their seniors.
- (4) A committee (of about Deputy Secretaries level) should be set up to revise the form, contents, dates, etc., of all the annual administration reports of all departments. This will remove anomalies and help to cut down the number of periodical returns.
- (5) The periodical "drives" which are organised by various departments should be abandoned. Work should not be done on a "drive" basis. Drives for solicitation of subscriptions are particularly objectionable.
- (6) In many large districts much of the Collector's time is taken up in meeting and taking round foreign notabilities, to the grave detriment of more important work. The State Government should come to an understanding with the Government of India that the Collector should not be required to receive personally any VIPs except Heads and Prime Ministers of other countries.
- (7) An amendment should be made to the General Clauses Act, both of the U.P. and the Centre, giving the A.D.M. and Additional Collector the same powers as the D.M. and the Collector.
- (8) The functions at present exercised by the Land Reforms Commissioner should be transferred to the Board of Revenue, except those which were exercised by Commissioners and which can go back to them. The Director of Consolidation should be put under the Board of Revenue.
- (9) In each large Collectorate there should be an Inquiry Office. The clerk in charge of it should be on the scale of Rs. 150-200 and must be chosen with great care. He must cultivate the attitude that "the public is always right." He should have near him a stamp-vendor and a petition-writer. He should also maintain a complaint book and a petition box. In no case should he ask anyone to come more than once. Hindi signs should employ the terms generally used. "Mahafizkhana", "Khazana", etc. are understood, but not "Abhilekh Kaksh" or "Koshagar".
  - (10) There should be two classes of revenue records:
    - (a) Permanent, which should be prescribed by Government. These should be kept in steel filing drawers. The feasibility

- of microfilming permanent records should also be investigated.
- (b) Non-permanent records. These should also be prescribed by Government on the basis of a list which should be considerably simpler than the one existing today.
- (11) An operator with a vacuum cleaner should spend a week in each district to remove dust from records.
- (12) The expenditure on the building and compounds should be increased considerably, and must bear some relation to the income from it. Provision should also be made for electrification, piped water supply and witness sheds—all of which are, necessities. In addition to the amount that is now allotted to each district, the Collector should get 50 per cent. of the income from the compounds of revenue buildings to spend it on their improvement and upkeep.

### III. Inspections

- (1) The treasury questionnaire for inspections goes into a great many unnecessary detail. The questionnaire is never answered completely. Inspection of a treasury by means of this questionnaire has in the past never prevented embezzlement. No questionnaires should be prescribed for an inspecting officer. It is better that he should write a two to three page inspection note on his own initiative rather than a volume based on a cut-and-cried questionnaire.
- (2) After his inspection of each Collectorate, the Commissioner should distribute cash rewards (or tokens such as watches) and "Sanads" to all officials who have worked specially well since the last inspection. The distribution should be done before he leaves the district.
- (3) The Collectorate is over-inspected. The Inspector of Offices need not inspect a Collectorate unless a Collector or Commissioner wants him to.

#### IV. Recruitment and Promotion

- (1) Forty per cent. of Naib-Tahsildars should be recruited directly, 10 per cent. from clerks and 50 per cent. by promotion of Supervisor Kanungos. The field of eligibility for clerks should be limited to those below 40, who have worked either as *Amins* or as Nazirs or Naib-Nazirs.
- (2) Promotions at present do not bring much satisfaction to the promotee as he is merely put on a higher scale and the gain is felt after some years. In order to improve the morale it is necessary so to fix the new pay as to give an increase of Rs. 10 at least.
- (3) The recent rules about promotions based on merit alone have created widespread dissatisfaction and are likely to lead to very much more if they are strictly enforced. The old rule of 'promotion by seniority except of the unfit' has the merit of being well understood and accepted. Merit is difficult to define. An attempt has been made to define it by a number

of adjectives. This again begs the question of the exact meaning of these adjectives. Promotion by merit may be necessary for the highest officers, but not for ministerial officials. The old rules should be brought into force again.

#### V. Courts

- (1) The output of the magistrates can be greatly increased by giving the Reader a shorthand allowance of Rs. 25 per month and a typewriter to each Court.
- (2) The fixation of standards by Government for the out-turn of magistrates was done about seven years ago. There is no possible way in which standards can be satisfactorily fixed. Since magistrates work in one place and under the guidance of the Additional District Magistrate (Judicial) or the District Magistrate, their out-turn can best be checked (as it has been for years in the past) by a close and careful study of the old *Pandrah roza* (which should be kept in bound volumes) by the District Magistrate or Additional District Magistrate (Judicial). Standards and all statements by which they are watched, including the quarterly statements of cases delayed over three months, should be abolished.

ESTIMATES COMMITTEE, 38th Report (Ministry of Community Development (C.P.A.) Part I): 1956-57. New Delhi, Lok Sabha Secretariat. iii. 136p.

The main recommendations of the Committee briefly are as follows:-

- (1) An assessment of the credit and debit sides of the Community Development Programme indicates that there is no room for complacency. The Community Projects Administration (now Ministry of Community Development) will have therefore to play a very prominent and strenuous role to see that the points on the debit side are wiped out during the Second Plan.
- (2) The Community Development Programme throughout the country should be so planned, directed and co-ordinated as to ensure, that "Directive Principles of State Policy" are made a reality in rural areas within a limited period of time. Certain basic necessities have to be provided not only to 'majority' but 'unto the last man'. Constant care will have also to be exercised to see that in the enthusiasm to change the outlook of the people, their basic needs for adequate food, clothing, shelter, health, education, recreation and community life are in no way neglected.
- (3) Special attention should be paid to see that all the villages in a block receive more or less equal attention and that there is no uneven distribution of amenities to add to the existing inter-village disparities. The poor and backward people in the villages should receive greater attention.
- (4) The Manual of Village Level Workers' Records should be suitably modified so that not only the records of accomplishments can be more systematically and properly kept, but that all the vital statistics, concerning each village in the Circle of the Village Level Worker, are properly recorded

and maintained. These records should be periodically checked by the Block Officers and also by the Project Evaluation Officers and the Officers of the Community Projects Administration while touring the villages. Each Village Level Worker should have a complete gazetteer of each of the villages under his charge. The gazetteers should be revised periodically.

- (5) Suitable criteria should be evolved to adjudge the overall progress made by the various villages under the same V.L.W. and an annual prize may be given to the village adjudged to be the best. The same principle may be applied to different V.L.Ws. under the same Block Development Officer. The V.L.W., whose performance is adjudged to be the best, may be suitably rewarded by issue of certificates of merit, cash prizes or even promotions. Similar healthy competition should be set up for various blocks in the same State. The feasibility of introducing a Rural Development Shield for the State adjudged to have made the best all round progress during the year might also be examined.
- (6) With the creation of a separate Ministry of Community Development, it is necessary that the Central Committee should meet formally at stipulated intervals to review the progress made in the Community Development Programme and to give specific directions in broad policy matters; and a Central Advisory Committee consisting of officials and non-officials who are economists, sociologists, psychologists and those who have given thought to the problems of Community Development Programme, should be formed to advise the Ministry of Community Development in the Centre. Suggestions of this Committee should be given earnest consideration.
- (7) The Ministry of Community Development should seriously examine the feasibility of covering the entire country with N.E.S. Blocks during the first four years of the Second Plan. If this suggestion is not found feasible on examination, efforts should be made to increase the number of N.E.S. Blocks in the earlier years and the last lot of the N.E.S. Blocks must be allotted positively on April 1, 1960. It is necessary to ensure that the benefits of the National Extension Service are derived by the entire rural population, during the Second Plan, in actual practice and not merely on paper.
- (8) It is unfortunate that all the "nucleus" funds allocated in the First Plan period for the Community Development Programme could not be fully utilised. The story should not repeat itself in the Second Plan.
- (9) (i) The expenditure on office establishment has been progressively increasing and a strict watch should be kept to arrest this trend.
- (ii) There is no machinery at present to check whether the money voted for sanction by Parliament for Community Development is properly spent and whether adequate and satisfactory results have been achieved. Positive safeguards or checks against dissipation of public funds have not yet been evolved; and neither the C.P.A. nor the P.E.O. seem capable of providing the vigilance required. There appears to be an urgent need not only to inculcate the spirit of strictest financial propriety among the officials as well as the public workers in charge of Community Projects, and to lay down and enforce minimum accounting standards but also to create a machinery or agency responsible for and capable of keeping a vigilant eye in respect of any lapses.

- (10) With the reorganisation of the States and considerable increase in the activities of the Community Development Programme, an overall review and expansion of the Programme Evaluation Organisation seems to be necessary. The feasibility of setting up Five Regional Offices, instead of the present three, for each of the five zones—North, South, East, West and the Centre—with Headquarters at Delhi, Madras, Calcutta, Bombay and Nagpur or Bhopal—might be carefully examined. For various activities requiring the setting up of zones, the above pattern of five zones, should normally be adopted.
- (11) The Community Projects Administration, in consultation with the Programme Evaluation Organisation, should systematically contact all the universities and other institutions of social sciences in the country which are capable of undertaking research in social problems and enlist their support to help the organisation to bring to bear an independent outlook on the existing development programme so far as its social aspect is concerned. It should be possible for Programme Evaluation Organisation even to indicate the courses to be prescribed for the research scholars who are desirous of taking rural problems for their study and thesis.
- (12) If the Evaluation Officers keep a regular contact with local non-officials, specially the Members of State and Central Legislatures of the area concerned, the reports coming from Evaluation Officers will have better value. The Evaluation Officers should move with the public and find out what the enlightened public opinion is about a certain Block.
- (13) Evaluation centres must remain in the rural areas but they may be so fixed that each region receives equal attention; and as many Blocks as possible may be intensively examined in rotation in each State. A comparative study of the progress made in the various Blocks would also be useful.
- (14) There are innumerable small items of vital interest to the villagers where improvements are possible and in certain cases have been made in some areas but the villagers in other areas do not know them. It should be for the P.E.O. as well to widely propagate these improvements whenever and wherever noticed.
- (15) The reports of P.E.O. are not being as widely circulated as they should be, specially among the village workers who are vitally concerned in the matter.
- (16) The feasibility of establishing a machinery similar to the Programme Evaluation Organisation for various other Governmental activities might be examined with advantage.

ESTIMATES COMMITTEE. 39th Report (Ministry of Defence—Bharat Electronics Private Limited); 1956-57. New Delhi, Lok Sabha Secretariat. iv. 115p.

The report examines the working of the Bharat Electronics (Private) Limited which started functioning in April 1954, as a limited concern with an authorised capital of Rs. 10 crores subscribed exclusively by the Government of India. The important observations and recommendations made by the Committee are as follows:—

#### I. Organisational set-up

- 1. The Secretariat functions of laying down policies and the executive functions of implementing them should be clearly demarcated and that as far as possible Secretariat officials should not be associated with the actual execution of policies laid down by them so as to enable them to retain an objective outlook. The present arrangements under which the Secretary to the Government of India is the Chairman of the Board of Directors of a company set up by the Government to carry out a project on business principles are not very satisfactory.
- 2. (a) The composition of the Board of Directors should be rationalised and made broad-based at an early date. (b) An overwhelming majority of officials in the Board of Directors tends to bring, to the organisation and its functioning, an official approach of a type which is generally found in most Government Departments and to that extent defeats the very object of setting up a private limited company to work on business principles. (c) There should be a gradual replacement, to the extent possible, of officials on the Board of Directors by non-officials such as industrialists, scientists, a chartered accountant, etc., so as to enable a fresh, business-like and scientific outlook to be brought to bear on the affairs of the B.E.L. (d) It would be useful to have a representative of the Radio Manufacturers in India associated with the Board of Directors.
- 3. There is a tendency on the part of Government to select afew non-officials to function on the Boards of Directors of several nationalised and other industries in the public sector. The result is that very often the non-officials concerned do not find sufficient time to attend to the affairs of all the concerns. This practice is neither fair to the non-officials nor conducive to efficiency.
- 4. A senior technical adviser should be appointed and given a place on the Board of Directors. In the event of difficulty in finding a senior officer to hold the post of Technical Director of the B.E.L., an Advisory Board, consisting of technical experts, should be formed. The Board might visit the B. E. L. once in six months or even a year to assess progress made towards the achievement of the programme of production and the goal of self-sufficiency. The Board may be required to submit reports direct to the Government of India to enable them to obtain independent advice on the working of the B.E.L.
- 5. The Committee commend the principle of having a Board of Management, which, if worked in proper spirit, facilitates the discussion, among the chief executive and his senior heads of departments, of problems, both administrative and technical, facing the management and also ensures collective responsibility.

## II. Personnel Management

1. It is not proper that the recruitment of all the officers in industries in the public sector should be made by a system different from that adopted for recruitment to services directly under the Government. The advantages of an independent body like the Public Service Commission being associated with recruitment cannot be minimised. But it would not be desirable to

over-burden the U.P.S.C. with the task of recruitment to posts in the undertakings in the public sector also. A separate Public Service Commission should therefore, be set up for this purpose as early as possible. If necessary, this Public Service Commission might have slightly different and more flexible rules and procedures to suit the peculiar circumstances and requirements of industrial undertakings in the public sector.

- 2. The recommendation made by the Engineering Personnel Committee of the Planning Commission—that there should be one or two bulk selections every year for technical men of a particular category—should be implemented without further delay in collaboration with undertakings and Government Departments requiring technical men.
- 3. The recruitment to Class III posts in the B.E.L. may be made on a regional basis rather than on a local basis as at present.
- 4. Besides an independent Technical Officer, the Selection Committee should also consist of a member of the U.P.S.C. or at least of the local State Public Service Commission, especially at the interview stage, so as to minimise, to some extent, the effect of the exclusion of posts in nationalised and other undertakings in the public sector from the purview of the U.P.S.C.
- 5. The question of the revision of the pay scales in the B.E.L. may be examined *de novo* by the Board of Directors of the B.E.L. as well as by the Defence Ministry.
- 6. In the national interest, the training facilities in the B.E.L. should be available, not merely for its own requirements but also for the need of skilled workers in other industries in the country, and the question of finance necessary for the purpose, should be taken up with the Ministries of Education and Labour. In view of the general shortage of engineers, the method of recruitment and training of apprentice engineers which has been initiated may be exploited fully and expenditure should not be grudged on this account.
- 7. Joint Production Committees of management and workers should be set up for the purpose of facilitating discussions and consultations on all production matters. The system of inviting suggestions freely from workers should be introduced and deserving suggestions should be suitably rewarded for.

## III. Financial Administration

- 1. In negotiating with foreign firms more businesslike methods should be adopted and no efforts should be spared to expedite the progress of the negotiations and discussions with the firm whose collaboration and assistance is to be obtained.
- 2. There were special reasons on account of which the assistance of the French concern—Compagnie General-de-Telegraphie Sans Fil (C.S.F.)—had to be obtained even in the preparation of plans and design of factory but in future, in similar cases, Indians might be associated even from the start in the designing, etc., of the factory buildings so as to enable them to get the necessary experience.

- 3. The annual accounts of the company should be brought out more expeditiously and for this purpose the I.S.D. London should be approached to ensure expeditious rendering of bills. The feasibility of closing the annual accounts without awaiting outstanding bills beyond a certain date, by showing them suitably in the Balance Sheet as is done in most commercial concerns, should also be examined. The Company should publish an Annual Report showing all its activities, along with the Annual Accounts and Balance Sheet, for the information of the Parliament as well as of the general public. A beginning in this respect should be made in 1957.
- 4. The Cost Accounts Branch of the Ministry of Finance should be entrusted with the specific duties of laying down the system of costing to be followed in each undertaking in the public sector, of conducting systematic concurrent or periodic reviews in regard to the adequacy or otherwise of the cost accounts system, and of submitting reports thereon, direct to the Finance Ministry as well as the administrative Ministry concerned.

ESTIMATES COMMITTEE. 41st Report [Ministry of Communications—Air Corporations] 1956-57. New Delhi, Lok Sabha Secretariat, v, 63 p.

The following are the major recommendations of the Committee:

### (a) Control of Central Government

- (1) The presence of the Secretary, Communications Ministry on the Boards of Indian Airlines Corporation and Air India International tends to a blurring of his responsibilities, which should be avoided. The presence of the Secretary to Government on the Board of a Corporation or a public utility undertaking, particularly one which runs at a loss, would result in his becoming a party to its state of affairs and management and consequently he will find it difficult to retain an objective outlook on major issues, such as the regulation and management of economic policies.
- (2) There is a tendency on the part of both the Corporations, especially the I.A.C. as at present constituted, to rely upon the Director General of Civil Aviation to an extent more than is necessary. As the guardian of the law of civil aviation which he has to enforce on the Corporation, the D.G.C.A. should not share the responsibility for the conduct of affairs of the Corporation.
- (3) Civil aviation and air corporations should be a responsibility of the Transport Ministry as in U.K., and not of the Communications Ministry. This change should be given effect to at an early date.
- (4) Non-official representation on Air Transport Council is inadequate. As a rule, such advisory councils should have a substantial non-official element in them.

# (b) Organisation and Management

(1) As the integration of domestic services has been completed, it should now be possible for Government to review the question of common Corporation for both the I.A.C. and A.I.I.

- (2) If the Government come to a conclusion that separate Corporations should continue, they should examine the feasibility of a common Board for two Corporations, particularly as at present the Boards of the two Corporations have seven members out of nine in common.
- (3) A Board of Management consisting of the Chief Executive and his principal heads of departments should be appointed for the efficient conduct of the day-to-day business of the Corporation and suitable internal rules of procedure should be framed for the purpose.
- (4) The financial prospects of the Corporation are not entirely bright. The Corporation should not relax in its efforts to keep down unnecessary expenditure, control costs and attract traffic. There should be a continuous review of the methods of cost accounting and the results. The Corporation should keep in touch with the system of cost control exercised by the modern operators and keep its own system sufficiently modern.
- (5) There is hardly the need for additional audit of the accounts by a firm of Chartered Accountants, which has been voluntarily arranged by the Corporation when there is a full-fledged internal audit department and the external audit conducted by the Comptroller and Auditor General is much wider in its scope than that done by commercial auditors.
- (6) The Corporation should examine the feasibility of admitting persons other than the Corporation's employees also to the courses of training.
- (7) Advertisements for recruitment may also be published, in addition to English and some foreign newspapers, in some Indian language newspapers having a wide circulation.
- (8) The scheme which has been instituted for grant of prizes, to members whose work, conduct and initiative is exceptionally good in the A.I.I., should be given wider publicity among the staff to encourage them to take part in it.
- (9) There should be a Council for air research to direct research and ensure co-ordination with a view to making the most effective use of the available technical talent.
- (10) There is considerable scope and justification for the existence of independent non-scheduled operators in this country. If the independent operators are to help expansion of services, particularly on routes which the nationalised Corporations are not in a position to operate, it is necessary and desirable that they should clearly know to what extent and how long they would be permitted to operate the services.

## (c) Welfare & Labour Relations

(1) By and large the facilities aboard and aground offered by the A.I.I. are comparable with those of other international airlines. However, suitable steps should be taken by the Corporation to improve the quality of food served and also to cater to the differing tastes of the various users of the Corporation's services. It should ensure that the high standards of catering are uniformly maintained.

- (2) The Corporation should examine the case for providing accommodation facilities at airports used by them in India; and if that is not possible, the feasibility of providing slumberettes in airport buildings may be considered.
- (3) Works Committees do not exist in the A.I.I. Even though the functions of the Labour Relations Committee are practically the same as those of the Works Committees in their limited sphere (the Works Committees are for individual workshops whereas the Labour Relations Committee is intended for the whole Corporation), the Corporation should consider the setting up of Works Committees at least in the workshops.

ESTIMATES COMMITTEE, 43rd Report [Ministry of Communications—Indian Airlines Corporation] 1956-57. New Delhi, Lok Sabha Secretariat. iii, 124p.

The main conclusions of administrative interest reached by the Committee are summarised below:—

### (A) Organisation

- (1) A rational system of organisation should be evolved to ensure an economical and efficient operation of the air transport in the country.
- (2) It would be advantageous if a non-official with experience in administration and the air transport business could be made the Chairman of the Corporation, as in the Air India International. Efforts should also be made to find, for the membership of the Boards of the Corporations, persons with special knowledge of air transport industry and with business acumen.
- (3) There is no justification for a separate General Manager as long as there is a wholetime paid official as the Chairman.
- (4) Suitable internal rules of procedure should be framed for the purpose of having a Board of Management consisting of the Chief Executive and his Heads of Departments to facilitate discussion of all important questions concerning the Corporation. Minutes should be recorded of the meetings of the Board of Management.
- (5) The Corporation should also have it as their aim to have the same Senior Executive in charge of both operations and engineering departments.
- (6) The post of Chief Personnel Officer should be abolished and the work should be entrusted to the Secretary as a permanent arrangement.
- (7) There is a tendency to centralise a large number of offices of all degrees of essentiality in Delhi. The autonomous Corporations which do not have to function as departments of Government should think in terms of locating their Headquarters offices as far as possible in different parts of the country.
- (8) The Area Headquarters at Delhi may be eliminated without any difficulty and the entire operation controlled from the Calcutta and Bombay bases only.

(9) The speed, initiative and the efficiency of administration at various levels, should be kept continuously under review. The Corporation should immediately make a careful comparison of the delegation of powers obtaining in the I.A.C. with those in the A.I.I., and take steps to delegate further powers wherever necessary. All cases, where a responsible official on the spot is unable to act and has to make references to higher officers for sanction, should be carefully examined to see whether consistent with his status more powers could be delegated to him.

## (B) Operational Arrangements

- (1) The Committee feel concerned at the mounting losses incurred by the Corporation. Urgent measures should be taken in the various directions to stop this continuing drain on the public exchequer.
- (2) The Corporation should study the reports of various modern airlines and improve both the extent of information furnished as also the standard of reporting.
- (3) There is no justification for delaying any further a critical analysis and assessment of the existing route pattern of the Indian Airlines Corporation with a view to its rationalisation. The question of correlating the type of aircraft used on a route with the traffic on that route should also be examined afresh with reference to the load factor on that route and the relative overall economies of operation by the use of different aircraft.
- (4) The Corporation should have as its objective the standardisation of its fleet with the minimum number of types of aircraft necessary for the main types of operation in the country such as trunk routes, the feeder routes and the freighter services. A well thought-out and properly phased programme should be worked out in advance to ensure that uneconomic operation or idle capacity does not result from the changeover.
- (5) The Corporation may obtain the services of an experienced officer of the railways to conduct their traffic surveys until some of their own officers are trained to do the work competently. The results of such surveys would facilitate a reorganisation of the route pattern.
- (6) The fare structure should not be arbitrary as it is and the fares should be fixed on some standard basis, whether it be a uniform rate based on distances or a telescopic rate. In deciding on the fares and freight structure, a realistic view of the situation regarding the economics of the airlines operation in this country should be taken and that the fares and freights charged should bear a reasonable relation to the cost of economic and efficient air transport operation.
- (7) Credit facilities could be extended by the Corporation to private individuals also. Business houses of repute, credit-worthy institutions, departments of Government and prominent individuals, may be provided with such coupons of air travel. The Corporation may, also consider the sale of air travel in mileage blocks to business organisations as well as the question of allowing reasonable discounts on the purchase of bulk air travel. At the same time precautions should be taken to prevent misuse of any of such special privileges.

- (8) A Committee of experts should be set up to advise the Corporation regarding the location, reorganization and development of its workshops. The services of an expert engineer who has experience of the organisation of airline workshops may also be obtained under one of the technical aid schemes for this purpose:
- (9) The Corporation as a Government-sponsored body should take advantage of the existence of the Government organisation for disposals. It should also reconsider the question of using, as far as possible, the services of the Indian Stores Department in London and Washington for purchase of stores.

### (C) Personnel

- (1) Every effort should be made to increase productivity which is admittedly low and is one of the reasons for the heavy expenditure incurred under 'overtime'. Urgent steps should be taken to reduce overtime work to the minimum.
- (2) The question of introducing piece work system of wages with bonus should be considered in order to provide incentive for increased output.
- (3) The Corporation is said to have introduced a system of "suggestion cards". But unlike the Air India International, the I.A.C. has not instituted any system for rewarding its employees for good suggestions. Such a system should be introduced and given wide publicity among the staff.
- (4) The sum expended on staff welfare services, which amounts to an average of Rs. 21 per head per annum, is quite low. It should be the aim of the Corporation to spend increasing amounts on staff welfare activities.

# (D) Public Relations

- (1) Efforts should be made to improve the standards of courtesy and helpfulness on the part of the staff of the Corporation towards their clients. The standards of cleanliness and up-keep both in aircrafts and the stations as well as the quality of food served in the planes and the canteens should not be slackened.
- (2) A comprehensive review of flight timings of all the services should be undertaken to minimise inconvenience to passengers.
- (3) At the airports there should be a device to display prominently the allocation of 'pay load' among passengers, freight and mail, thus clearly indicating the capacity available and the extent to which it is booked.

#### **BOOK REVIEWS**

THE MINISTRY OF WORKS; By SIR HAROLD EMMERSON. London, George Allen & Unwin Ltd., 1956. 171p. 15s. (Published under the auspices of the Royal Institute of Public Administration)

The latest addition to the New Whitehall Series prepared under the auspices of the Royal Institute of Public Administration deals with the Ministry of Works in U.K. and is, as is to be expected, well up to the standard of the earlier descriptive books dealing with the Home Office, the Foreign Office and the Colonial Office. It cannot be otherwise, the author being Sir Harold Emmerson who has retired only recently after holding charge of this Ministry as the Permanent Secretary for nearly ten years. Contrary to popular conception, the Ministry of Works in U.K. as indeed in India, covers "a range and variety of functions of extraordinary fascination" and gives full scope not only for developing capacity to face the hard realities of existence but also for giving shape to the romantic and artistic yearnings in a man.

The British Ministry of Works has grown in a typically British manner; "new duties have been grafted on to an old organisation which traces its origins far back into the past. The work now falls into three main groups which broadly reflect the historical development of the Ministry. First, there are certain traditional or cultural functions such as the care of the Royal Palaces, the Royal Parks and Gardens, work for ceremonial occasions, the preservation of historic buildings and ancient monuments and other responsibilities, which in some countries are carried either by a Ministry of Education or a Ministry of Fine Arts. Secondly, the Ministry provides accommodation and all types of buildings and supplies for the civil needs of Government Departments........ Thirdly, it has general duties in connection with the building and civil engineering and building materials industries, similar to those exercised, for example, by the Board of Trade for various other industries."

Although the separation of the Secretariat and Executive functions are not so well marked in the Indian Ministry of Works, as it is in U.K., one is struck by the remarkable similarity in the basic elements of organisation that exists between the administrative set-up in India and U.K. There, as here, it is recognised that "ideally no doubt the Civil Service would work much more efficiently if the headquarters staff of each department could be housed in a single building specially designed for its use and if all major departments were housed close by each other and within easy reach of Parliament." This is an old aspiration, and as quoted in the book under review it was expressed in *The Times* of the 31st May, 1855:

"It is really impossible to exaggerate the economy of labour, the increase of effective supervision, the saving of time, and the means of effecting necessary reforms and amalgamations, which would be realised to the country if all these scattered offices could be gathered into a few commodious and contiguous buildings." Admittedly, the provision of appropriate accommodation is the major duty of the Works Ministry. Unlike India, however, in U.K. the Works Ministry apparently do look after the centralised supply of furniture and fittings, fuel for heating, etc. The specialisation involved in certain types of construction or maintenance, as in the case of ancient monuments or other structures of archaeological importance, has not resulted in a miniature Works Ministry with its attendant Executive Departments being created in the Ministry that may be concerned with the subject of archaeology—a development which has taken place in India after a good deal of inter-departmental discussions, if not disputes.

A major difference in the scope of the work of the U.K. Ministry of Works and its Indian counterpart lies in the attention the former pays to the building industry and the industry producing building materials and the close co-operation and liaison it maintains with them. To some extent the setting up of the National Buildings Organisation under the Works Ministry in the Central Government of India may lead to the development of such functions for the Indian Works Ministry also, although for historical and other reasons the prominent part which the Industries Ministry of the Government of India is bound to take in these industries also is likely to necessitate much closer co-ordination between the two Ministries.

Although it is not so clearly brought out in the book, it is apparent that it is the architect and not the engineer that really has what may be described as the composite or final responsibility for construction. This is the reverse of what obtains generally in governmental construction organisations in this country. Notwithstanding this seeming difference, in actual practice the constructions depend on the complete co-ordination and understanding amongst the architect and the engineer and the quantity surveyor. this need for collaboration is admitted it is a matter of indifference whether the head of the Executive Department is an engineer or an architect. practical problems that arise there are similar to our own; for there also the Ministry fulfils the functions of both the client and the architect, the client's function differing as it does here depending upon whether the building is for a generalised purpose or for some special purpose such as a research laboratory or hospital and depending also on whether the cost of the building is to be paid for by a Service Department or otherwise. They have, as in India, a separate construction agency for the Defence Services. There also occasions arise when eminent private architects are appointed to design and supervise the erection of important buildings. An interesting comment from which we in India might derive some consolation is: tion of a scheme a final report is made by the architect to the administration who in turn reports final costs to the Treasury or to the principal Department on whose behalf the work has been done. That is not the end of the story, for the quantity surveyors, the staff of the Contract Directorate and the Accounts Division (for us the Auditor-General and Public Accounts Committee may be added) may be kept busy long after the building has been occupied to the satisfaction of the Department concerned."

As mentioned earlier there is a remarkable similarity in the nature of the functions and duties of the Indian and the British Ministries of Works and it would be well worthwhile for those interested in problems of administration in India to study this comparatively brief book. It is bound to

create a further desire for more detailed and intimate study of the various methods adopted in U.K. for solving the many problems that arise. But whatever the organisation, particularly the larger and more complex it is, its "efficiency can only be achieved and maintained" as observed by Sir Harold Emmerson, "by a continuous and conscious effort of leadership and direction from senior officers. It is not sufficient merely to have good methods and clear instructions. As in many other spheres of activity, therefore, the greatest problem is the human one and the greatest need is to recruit and train those who are likely to be the leaders of the future."

-S. Ranganathan

**ECONOMICS AND PUBLIC POLICY—Brookings Lectures 1954;** By ARTHUR SMITHIES, etc. Washington, The Brookings Institution, 1955, vii, 157p. \$2.

ECONOMICS AND THE PUBLIC INTEREST; Ed. ROBERT A. SOLO. New Jersey, Rutgers University Press, 1955. xiv, 318p. \$5.75.

Three common threads run through the Brooking's Lectures 1954 and the collection of essays written in honour of Mr. Eugene Ewald Agger. These are the role of economics and of the economist, the influence of economic theory upon social policy and the relation of freedom and economic progress. Events move and conditions change at a pace and in ways which keep social sciences on the defensive. This is specially true of economic science. The economist is expected to provide solutions to practical problems and is answerable for the consequences of policy in a manner more exacting than that required of the philosopher, the sociologist, the political scientist and even the psychologist. In this sense the role of the economist is akin to that of the scientist and the technologist. Each of them is concerned with the problems of conservation and maintenance, of change and growth. Each of them has a vital part in keeping the social order on the move, preventing breakdowns and preparing for the future. In the race against events each of them needs an apparatus of theory and a social perspective. Of the three, the economist deals with complex human and social motivations and his instruments of analysis are much less able to deal with the phenomena which confront him and sometimes overwhelm him. This compels leading exponents of the science to look inwards and to ask themselves basic questions about their role and obligations and of the purpose which their science may fulfil.

Everyone recognises that as social conditions change, as the ends to be achieved are redefined, economic science and the economist are required to perform new tasks. As Mr. Robert A. Solo has put it, economics has to serve at once as a social philosophy explaining those social phenomena which we chose to describe as economic, as a moral philosophy for providing "welfare" guidance in the formulation or evaluation of social policy and as a practical technology for suggesting effective solutions for specific problems of particular societies. The economist may not always distinguish the particular function which he assigns himself at a given moment. For, as Professor Jacob Viner points out, economic theorists may operate in several "universes of discourse" such as being engaged in intellectual analyses without ulterior motive, conforming to the historical tradition of the profession

or revolting against it, seeking to contribute to an understanding of the economic process or, finally, attempting to solve specific problems of society. In increasing degree, as a result of the challenge of social problems which the economist has to meet, his major concern is, in the language used by Professor Arthur Smithies in the first of the Brooking's Lectures, "to determine the economic conditions whereby society can realise its aspirations to recognise that there is continued interaction between the economic means employed and the objectives that a society sets for itself, and to propose changes in those objectives when economic analysis reveals that society may be frustrated through the pursuit of contradictory ends."

The problems of reconciling varying objectives occur in all social systems, but they belong essentially to a free society. In an authoritarian system, as in times of war, a single objective has overriding importance but where important economic and social objectives are to be achieved in the conditions of freedom and peace, the central problems are those of balancing, of the little more of one and the little less of another in a given situation and in a given period, of achieving several aims together and yet maintaining a fairly harmonious combination of them all. These problems of choice and balancing are met with in every field of social policy and the Rutgers University essays afford several useful examples, as in Milton Friedman's paper on the role of Government in education, Mr. Alexander Balinky's analysis of public finance and the public interest, Mr. Leopold Kohr's view of the size of a community as a decisive factor in determining the character of its economic system or in Mr. Robert J. Alexander's argument that countries wishing to industrialise must make up their minds pretty early in the process as to which sections of the population will, in the main, bear the cost of economic development.

This brings us to the heart of perhaps the most fundamental of the current issues, namely, the conditions under which freedom and economic progress may advance together. This is a theme which calls for a comprehensive approach and philosophy derived as much from an understanding of science and technology as from social disciplines, and collections of essays and lectures can at best only illuminate some aspects of the problem. Here the Brooking's Lectures make a valuable contribution. All the lecturers would agree with Professor Lionel Robbins, that freedom may not be an ultimate good, but it is an essential condition of anything that is, that order is an indispensable condition of freedom and that there is a vast difference between an order that is imposed and one that is achieved. Although the achievement of economic progress with freedom is recognised as an aim of the greatest significance, none of the papers in the two studies considers the issues from the standpoint of those areas or countries which have a high stake in the precise manner in which the possible conflicts in fact come to be resolved. One notes with regret that in the one essay in the Rutgers University collection which comes nearest to the consideration of the subject, there is a degree of misunderstanding of some of the essential facts. Basing his analysis mainly on Indonesia, but not without a reference to India, Mr. Harry D. Gideonse, President of Brooklyn College, has observed that "the modern form of Asiatic 'nationalism' is not an alternative to communism, but its most fruitful preparation. Meanwhile the basic pillars of economic development have crumbled away: foreign capital has disappeared and foreign technical assistance has become costly and short term in character." In a

world which discards the ideas of exploitation of one country or of one class or group by another, freedom and prosperity alike have to be built upon new foundations and with new pillars. Economic science has a great part in this task of reconstruction, but as a body of specialised knowledge subserving freely accepted social ends and values.

-Tarlok Singh

THE HOOVER REPORT 1953-1955; By NEIL MACNEIL & HAROLD W. METZ. New York, The Macmillan Company, 1956, viii, 344p. \$6.

Messrs MacNeil and Metz have done a great service by summarising and explaining the main recommendations of the Commission on the Organisation of the Executive Branch of the Government. They have also introduced the public to the method that was followed by it in conducting the study of the colossus that is the administration of the United States. For foreign readers and students of public management that is the more enduring part of the book.

Except for a few aspects of a general character, the recommendations breathe of the locale for which they are meant. In fact, the main objectives formulated by the Commission for enquiry related to such subjects as safeguarding the separation of powers, the prevention of interference in the private enterprise system, the continuance of the Congressional control over the purse and the civilian control of the Government. The conduct of the activities of Government in a most efficient and economical manner was the last of its objectives. It is, therefore, no wonder that the Summary in the form of this book enlarges upon such question as erosion of liberty as a result of growth of Federal agencies and directioning of the thinking of the people by bureaucracy. It is an irony of fate that Mr. Herbert Hoover, the distinguished Chairman of the Commission, when asked to name one and the only one recommendation that he would like to see accepted replies without hesitation, "I would pick the recommendation for the setting up of a senior civil service." He added: "We must make civil service so attractive, so secure, so free from frustrations, so dignified that the right kind of men and women will make it a career." This simultaneous canonisation and damnation of bureaucracy is a contradiction in terms though it proves that stable bureaucracy is fundamental to good government. Its functions are the creation of politics but it is the efficiency of its methods of work that determines its success in whatever role it may be cast.

It is difficult to review here in detail all the recommendations of the Hoover Commission. Two subjects, however, are of considerable interest to the Indian reader: the procedure followed by the Commission for organising its studies and its recommendations on 'Paperwork Management'.

In view of the large size of the government organisation, the task force method of study was employed. It consisted of forming teams of competent personnel for the study of a particular aspect of the Government. Eighteen teams comprising two hundred technicians and public workers were organised to study such diverse subjects as Water Resources and Power, Transportation, Overseas Economic Operations, Personnel and Civil Service, etc. Many

of the persons employed were busy men who had to make personal sacrifices to do so; almost all of them served without compensation and many of them paid their own expenses. It is a tribute to the public spirit of the galaxy of talent that the Commission was able to draw upon. It shows that the cause of good government is rooted in proper civic sense and responsibility developed in its citizens. Politics may divide but the cause of efficiency in governmental machinery should unite the people to whatever profession they may belong.

The Task Forces were given a free hand in preparing their reports. They took advantage of the material already available in each area of work. Although the Commission was authorised to subpoena persons or documents it had no occasion to do so. Government officials mostly co-operated with them realising that the Commission was doing the job which they would have done had they the time. The objective of the enquiry was not to make an exposure or merely to uncover dirt and as such there was no place, in the method of study for the snooper or the confidential agent. The reports of the task forces were voluminous documents but none, except one, was accepted without thorough grilling at the hands of the Commission. As many as eight drafts had to be prepared before the Commission considered them in a formal session for a final decision.

The task of analysing and studying government operations, with a view to economy and efficiency, is always long and laborious. It requires not only an extreme degree of patience but also the qualities of an astute salesmanship. It is necessary to prove demonstrably that alternative methods proposed are superior to existing methods of work. "Pilot surveys" and "case studies" have to be conducted by persons whose competence to do so is unquestioned. The Commission has, however, shown that the study repays manifold in increase in efficiency and avoiding of delays. One of the characteristic proofs of this is in their work on Paper Management and Red Tape. The Commission has done a real pioneering job in focussing attention on excessive use of paper within Government and in assessing not only its effects on the machinery itself but also the burden it imposed upon industry and the general public. The Federal Government in the U.S.A. handles each year more than 25,000 million pieces of paper which if placed end to end would stretch from the earth to the moon thirteen times. This excludes pamphlets and books issued by Government agencies. The filing of correspondence. forms, reports, directives and other records has resulted in occupation of more than 24 million cubic feet of Federal records. Each year Government bureaucrats write more than 1,000 million letters which cost the tax-payer \$1 each. Inserted in envelopes, they will make a stack 390 miles high. 1912, the correspondence per employee has increased from 55 to 522. possibilities of savings are limitless. Improved letterwriting techniques. namely, standardised texts and wider use of post cards and forms, resulted in the Baltimore office of the Internal Revenue Service in a saving of more than \$157,000. A wider use of these improved techniques may save the tax-payer \$5.5 million throughout the Internal Revenue offices. Reduction or simplification of printed or mimeographed forms eliminated 21,000 forms at a saving of \$2 million in the Navy Department. The possibilities of savings in this category are large. The results of pilot experiments indicated that every additional expenditure of \$1,000 on rationalisation of paperwork resulted in a saving of \$32,000. The total number of forms used in the U.S.A.

are 18,000 million at a total cost of \$867 million. A review of reports received or transmitted for internal use in one establishment led to their reduction from 1,400 to 600. The main conclusion of the Commission, for which ample supporting evidence is available, is "agencies too often lack a clear-cut concept of the value of economies possible from careful attention to paper-work management."

The work of the Commission in assessing the burden placed by paperwork on the community in general yielded considerable room for economy. The Task Force on Paperwork Management got committees representing 29 industries to meet representatives of 33 bureaus to study 328 paperwork items in a move to discover possible savings by the use of work simplification methods.

The Force made a large number of suggestions, many of which were accepted straightaway both by Government and the industry. As an example of the type of work done, the Commission saved 960,000 forms prepared annually by consignees to clear shipments through customs. Through the use of a rubber stamp applied to the airways bills of lading and invoices, the need for the forms was eliminated resulting in a saving of \$2 million a year.

Another avenue for saving was in the matter of obtaining statistical information from the public. All industrial users of peanuts, for example, had to report their consumption to the Department of Agriculture. By fixing a minimum limit for not reporting at 10,000 pounds a year, a considerable saving was effected.

The conclusion of the Commission was that the Federal Government could save at least \$255 million a year of its own expenditure and the community could effect a saving of \$100 million. As a proof of this, the results of the pilot surveys have actually yielded a saving of \$10 million for industry and \$5 million for the Government.

The methods of evaluation followed in some other spheres of governmental activities give a useful lead to students of public management. The analytical techniques of task forces could be developed, with adjustments, to suit other circumstances.

Economy cannot be ensured in modern Government unless its practice becomes a national discipline. Enquiries like the one which the Hoover Commission undertook are useful in focussing attention on delay and waste but they solve the problem of administration only at a point of time. The Commission was fully aware of this and had suggested a number of enquiries to be undertaken later by Government itself. The Report pinpoints the necessity of forging arrangements, within the organisations, for continuous evaluation of the procedures of work for the expeditious achievement of results in pursuance of policies laid down by democratic processes.

The value of the book thus lies in stimulating thinking among citizens on the activities of their Government, as ultimately it is they who have to bear the cost of waste and delay both directly and indirectly. The Report, which was a voluminous document, is out of the reach of many both in terms of

money and time. Its epitome in the form of this book gives an adequate insight both into its recommendations and the methods of work employed. The authors have generally done their job well as the narrative is lucid and written in non-technical language. It is a performance of great merit having regard to the fact that it is now becoming a tendency in many quarters to use the fast developing jargon in the field of management surveys.

-Indarjit Singh

NEW SOURCES OF LOCAL REVENUE: REPORT OF A STUDY GROUP OF THE ROYAL INSTITUTE OF PUBLIC ADMINISTRATION. London, George Allen & Unwin Ltd., 1956. 260p. 25s.

For some time past, English Local Government seems to have been under re-examination by researchers and study groups anxious to cry a halt to the process of increasing central control and the consequent loss of the autonomy of the local bodies. The present study attacks the problem from the financial side. Local authorities in England and Wales nowadays derive a progressively dwindling portion of their income from their own sources and a correspondingly increasing proportion from grants-in-aid from the Central Government, as would be clear from the table given below:

| Year    | Proportion of Central Grants to total local Revenues in England and Wales |
|---------|---|
| 1913-14 | 22%   |
| 1938-39 | 35%   |
| 1953-54 | 42%   |

Thus, over a period of 40 years, the proportion of Central grants to the total local revenues has nearly doubled. In certain counties and county boroughs the central grants constitute 73 to 81% of the total local revenues. The increasing dependence of local authorities on Central grants has resulted in increased administrative control of the Central government. It is the old story of the player of the piper claiming the right to call the tune.

The study reveals that if this tendency is to be arrested, local bodies must have more resources of their own. The ways and means of that are discussed in detail. Briefly, the proposals are:

- (1) The rate should be retained and broadened by the abolition of the de-rating of agricultural and industrial property,
- (2) Certain fields of taxation hitherto exploited by the Central authorities should be made over to the local bodies, e.g. the entertainment duty, driving license fees, and motor vehicle duties, and
- (3) Local authorities should be given power to impose a local income tax confined to personal incomes, the maximum rate not exceeding 3d. in the £.

It has been estimated that the re-rating of agricultural and industrial property would result in an additional revenue of £115 millions, and the local

income tax in £150 millions. One wishes that the book had also given an estimate of the total percentage by which these and other additions suggested would reduce the dependence of local authorities on central grants, but the reader has been left to make the calculation for himself.

The authors are conscious of the difficulties which their proposals would encounter. A new tax such as the local income tax would be unpopular. Re-rating of agriculture and industry would require subsidizing them from the Central Exchequer. Transfer of entertainment and road transport taxes too would make a hole in the central revenues. Their answer to the reluctance of tax-payer to shoulder the burden of a local income tax is: 'This is the price you have to pay to preserve the independence of the local Government'. To the Central Government's reluctance to surrender some of its own taxes, they say 'You would have to find the money anyway—if not by surrender of taxation power then by grant to local authorities'. Whether both these answers would convince the tax-payer and the Government is another matter.

The crux of the problem is this: The modern welfare state such as Britain, has assumed the obligation of providing certain minimum services for the people all over the country irrespective of the means and resources of particular local areas. It must, therefore, make up the deficiency of resources in the less favoured areas through grants-in-aid. That necessarily involves taking away from Peter to pay Paul. If Peter insists, in the name of his independence, on his right to keep what he considers his own, where is the money for Paul to come from? The authors themselves admit that their proposals would result in maximum benefit to those local authorities 'who are already in the strongest financial position'. Whether it is advisable to make substantial changes in the tax system to achieve this result must remain a matter of opinion.

The chapters on the rate and its modifications are written with considerable insight. The survey of the local financial systems of some of the overseas counties is instructive and valuable for the student of local finance. The chapters on the local income tax in Sweden present material which is not easily accessible in the English language elsewhere. Altogether, the book is worth study by all serious students of local government.

-M. P. Sharma

THE CIVIL SERVICE—Some Human Aspects; By FRANK DUNNILL. London. George Allen & Unwin Ltd., 1956, vi, 226p. 18s.

Frank Dunnill has attempted to place before the reader some human aspects of the executive and clerical aides in the Civil Service of Britain. He begins with a brief description of how officials are selected, deployed, promoted and trained. In a quite interesting account of the pressures to which the Civil Service has been subjected, in particular during the war years, Mr. Dunnill further shows how the composition of the Civil Service has changed, with a preponderating element of the promoted civil servants now at the executive and administrative levels. The views expressed by him sound rather familiar as when he says that policy is formulated by a small corps

of ubiquitous amateurs—of civil servants—"who know next to nothing about almost everything".

The pattern of the Civil Service structure of Britain is given in some detail and the central position occupied by the Treasury is high-lighted. The Treasury not only controls the purse strings but also exercises a piecemeal but not ineffective influence in the shaping and deployment of about three-quarter million non-industrial civil servants. The Treasury exercises this influence in staff matters through its Establishment Officer, its training units and the Organisation and Methods Division. The training today leaves much to be desired, the most of it being done on the job. The success or failure of training depends on the training officer. If he is a capable and practical man, the training he imparts would pay dividends during the future career of the person trained.

Mr. Dunnill also observes that at present the extent of the influence of the Organisation and Methods Division is limited; the results so far achieved are "patchy and somewhat spasmodic". There are sectors in which O & M techniques cannot be applied without trenching on 'policy' and without the continuous and active participation of the junior administrators and senior executives. This is of particular interest to our country where we have just got going with an Organisation and Methods Division. Unless we are prepared to learn a lesson from the British experience, our O & M Division may not fare better in any way.

Britain too had to face the same difficulties of accommodation as we in India. Apart from merely listing these difficulties, no mention has been made of the efforts to overcome them. Perhaps Mr. Dunnill takes it for granted that the solution lies in more and better buildings.

The relationship of the civil servant to the Minister and Parliament has been brought out in two chapters (VI & VII). 'Ministers are, as a race, scribblers, authors of marginalia and of invitations to informal discussions.' A Government Department has been compared to a stately elephant with a Howdah in which the Mahowt—Minister—sits. The comparison appears to be quite apt and would apply with equal force to the Departments in our own country. The conclusions drawn are in no way different from what we could draw, namely, that much depends on the proddings from the Minister and the sincerity of individual civil servants to make things move fast.

Government machinery has grown to enormous proportions everywhere. So has it in Britain. With the State taking over more and more welfare activities this is bound to happen. What is needed is an intelligent use of the men who form this machinery. This, in short, is the sum and substance of Mr. Dunnill's pleadings regarding the use of manpower in the Civil Service. The most important problem in personnel administration today, he feels, is "how to breathe life and meaning into the service, particularly at points where it most frequently comes into contact with the ordinary, unorganised and unrepresented members of the public." The measures suggested include training of junior administrators, opportunities for young executives to meet their contemporaries in other departments, grant of special allowances for improving qualifications, and a small committee of the

representatives of the Department, its staff, the public and parliamentarians to be set up to ask questions on matters arising out of the Department's relations with the public. However, it is not going to be easy to build up and maintain the goodwill of the public.

Mr. Dunnill's account of the human aspects of the Civil Service in Britain reveals that, after all, we in India are not so badly off when compared with the efficiency of the government machinery of that country. The book should, therefore, be of special interest to administrators and public servants in India. Administrative efficiency in this country equally depends on effective personnel management. Here, work attitude of public servants, and their proper placement having due regard to their abilities, are not less important than good methods of recruitment and training.

-P. Prabhakar Rao

## SELECTED GOVERNMENT PUBLICATIONS

The following are some of the important government publications recently added to the Institute's Library:—

#### Union Govt.

#### Education, Ministry of

General education: report of the Study Team. Jan. 1957. 97p. Rs. -/14/-

Syllabus for three year diploma course in rural services. 1956. 37p. Rs. -/9/-

### Finance, Ministry of

Indian tax reform: report of a survey, by Nicholas Kaldor. 1956. [5], iv, 139p. Rs. 1/8/-

### Food and Agriculture, Ministry of

Report of the Indian delegation to China on agricultural planning and techniques. Oct. 1956. [4], 199p. Rs. 1/-; 1sh. 6d.

## Health, Ministry of

Interim general plan for Greater Delhi; prepared by the Town planning organization. 1956. xiii, iii, 154p. Rs. 2/4/-

# Health, Ministry of. Central Council of Local Self-Government

Local self-government administration in states of India, 1956. iii, iii, 149p. Rs. 2/2/-; 3 sh. 6d.

## Information and Broadcasting, Ministry of

Social legislation: its role in social welfare. Publications division, Oct. 1956. xvi, 418p. Rs. 6/-; 12sh. 6d.

#### Lok Sabha. Estimates Committee

Thirty-eighth report (1956-57). Ministry of Community Development (Community Projects Administration). Part I. Dec. 1956. vi, 136p.

Thirty-ninth report (1956-57). Ministry of Defence. Bharat electronics (private) limited, Bangalore. Dec. 1956, iv, 115p.

Forty-first report (1956-57). Ministry of Communications. Air corporations: 1. General matters, and 2. Air India international corporation. Dec. 1956. v, 63p.

Forty-third report (1956-57). Ministry of Communications. Indian air lines corporation. Dec. 1956. vi, 124p.

Forty-fifth report (1956-57). Ministry of Community Development (Community Projects Administration). Part IV. Dec. 1956. v, 100p.

#### Lok Sabha. Public Accounts Committee

Eighteenth report, 1955-56. Audit reports on the accounts of the Damodar valley corporation for the years 1952-53 and 1953-54. July 1956. 51p.

#### Planning Commission

Engineering personnel committee, 1956. Report. 1956. iii, 85p. Rs. -/14/-

## Planning Commission. Programme Evaluation Organization

Bench mark survey report—Batala (Punjab). Sept. 1956. xii, 160p. Bench mark survey report—Bhadrak Block I (Orissa). Oct. 1956. xvi, 159p.

The initial survey to ascertain the position, as at the time of the survey, regarding acceptance of improved practices sponsored by the community development and national extension programmes, and certain aspects of the rural economy related to the development programme. From this base or 'bench-mark' position, the changes occurring in the area during the course of operation of the projects would be measured by means of repeat surveys at specified intervals.

## Production, Ministry of

Ambar-Charkha enquiry committee, 1956. Report. July 1956, iii, vii, 489p. Rs. 3/10-; 5sh. 9d.

#### Andaman and Nicobar

Andaman and Nicobar Information. Jan. 1957. 38

#### Bihar State

## High Court

Report on the administration of criminal justice...during the year 1954. Dec. 1956. 51p. Annas 8.

# Transport Department

Annual administration report of the Transport Department for the year 1954-55. Dec. 1956. 42p.

# Bombay State

# Public Service Commission

Annual report for the year 1955-56. 1956. 89p.

#### **Madras State**

Health, Education and Local Administration Department

Annual report of the Chemical Examiner's Department for the year 1955. 1956. 16, 2p. Annas 10.

Industries, Labour and Cooperation, Department of

Administration report on the working of the Madras Shops and Establishments Act for the year 1955. 1956. 4, 1p. Annas 4.

Report on the working of the Payment of Wages Act... for the year 1955. 1956. 31, 1p. Annas 10.

#### Public Service Commission

Annual report, 1955-56. Oct. 1956. 109p.

#### Foreign

#### Malaya

Malayanization of the public service. Report of the Committee on Kuala Lumpur, 1956. iv, 143p. 4s. 8d.

Malayanization of the public service: a statement of policy. Kuala Lumpur, 1956. 8p. 1s. 2d.